

TELEFÓNICA EMISIONES, S.A.U.

EUR 40,000,000,000

PROGRAMME FOR THE ISSUANCE OF DEBT INSTRUMENTS
UNCONDITIONALLY AND IRREVOCABLY GUARANTEED BY
TELEFÓNICA, S.A.

AMENDED AND RESTATED
ISSUE AND PAYING AGENCY AGREEMENT

6 April 2022

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THIS ISSUE AND PAYING AGENCY AGREEMENT is made on 6 April 2022

BETWEEN:

- (1) **TELEFÓNICA EMISIONES, S.A.U.** (the "**Issuer**");
- (2) **TELEFÓNICA, S.A.** (the "**Guarantor**");
- (3) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, in its capacities as Issue and Paying Agent (the "**Issue and Paying Agent**", which expression shall include any successor to The Bank of New York Mellon, London Branch, in its capacity as such) and principal registrar (the "**Principal Registrar**", which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such and as Calculation Agent (as defined herein));
- (4) **THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH** in its capacity as alternative registrar (the "**Alternative Registrar**", which expression shall include any successor to The Bank of New York Mellon SA/NV, Luxembourg Branch in its capacity as such); and
- (5) **THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH** in its capacity as paying agent (the "**Paying Agents**", which expression shall include the Issue and Paying Agent and any substitute or additional paying agents appointed in accordance herewith).

WHEREAS:

- (A) The Issuer and the Guarantor have established a programme (the "**Programme**") for the issuance of debt instruments (the "**Instruments**"), in connection with which they have entered into an Issue and Paying Agency Agreement dated 6 April 2022 (as amended and restated from time to time) (the "**Existing Issue and Paying Agency Agreement**") and a dealership agreement (as amended, supplemented or replaced, the "**Dealership Agreement**") dated 6 April 2022 and made between the Issuer, the Guarantor, BNP Paribas and the other financial institutions named as Dealers therein (the "**Dealers**", which expression shall include any substitute or additional dealers appointed in accordance with the Dealership Agreement). In respect of bearer Instruments issued in temporary global or permanent global form, the Issuer has executed and delivered a deed of covenant (the "**Deed of Covenant**") dated 6 April 2022 (as the same may be replaced from time to time).
- (B) The Guarantor has pursuant to a deed of guarantee (the "**Guarantee**") dated 6 April 2022 (as the same may be replaced from time to time) guaranteed the due and punctual payment of all amounts under the Instruments.
- (C) Instruments will be issued on a listed basis. The Base Prospectus (as defined herein) has been approved by the Central Bank of Ireland (the "**CBI**"), which is the competent authority for the purposes of Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), as a base prospectus issued in compliance with the Prospectus Regulation for the purpose of giving information with regard to the Instruments. Applications have been made for

Instruments issued using the Base Prospectus within 12 months from the date hereof to be admitted to listing on the official list (the "**Official List**") of The Irish Stock Exchange, trading as Euronext Dublin ("**Euronext Dublin**") and to trading on the Regulated Market of Euronext Dublin. The Programme also permits Instruments to be issued on the basis that they will be admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system as may be decided by the Issuer and the Guarantor.

- (D) In connection with such application, the Issuer and the Guarantor have prepared a Base Prospectus (as defined below).

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Agreement:

"**Applicable Law**" means any law or regulation.

"**Auditors**" means the auditors for the time being of the Issuer or the Guarantor (as the case may be).

"**Authority**" means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction.

"**Banking Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Issue and Paying Agent or, as the case may be, the Registrar is located and in London.

"**Base Prospectus**" has the meaning given in the Dealership Agreement.

"**Business Day**" means, in respect of each Instrument, a day other than a Saturday or Sunday on which Euroclear and Clearstream, Luxembourg are operating and on which banks and foreign exchange markets are open for business in London and (if a payment is to be made on that day) in the principal financial centre for the currency of the payment or, in the case of Euro, a day on which is a TARGET Business Day.

"**Calculation Agent**" means, in relation to any Series of Instruments, the institution appointed as calculation agent for the purposes of such Instruments and named as such in the relevant Final Terms, in the case of the Issue and Paying Agent, pursuant to Clause 13 (*Appointment and Duties of the Calculation Agent*), in the case of a Dealer, pursuant to Clause 4 (*Undertakings by the Dealers*) of the Dealership Agreement and, in the case of any other institution pursuant to a letter of appointment in, or substantially in, the form set out in Schedule 8 (*Calculation Agent Appointment Letter*) and, in any case, any successor to such institution in its capacity as such.

"**CGN Permanent Global Instrument**" means a Permanent Global Instrument representing Instruments for which the relevant Final Terms specify that the New Global Note form is not applicable.

"**CGN Temporary Global Instrument**" means a Temporary Global Instrument representing Instruments for which the relevant Final Terms specify that the New Global Note form is not applicable.

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.

"**Clause**" means unless the context indicates otherwise, a clause in a section hereof.

"**Commissionaire Account**" means an account with either Euroclear Bank SA/NV or Clearstream, Luxembourg, the terms of which include a third-party beneficiary clause ("stipulation pour autrui") with the Issuer as the third-party beneficiary.

"**Common Safekeeper**" means an ICSD in its capacity as common safekeeper or a person nominated by the ICSDs to perform the role of common safekeeper.

"**Coupon**" means an interest coupon and where the context permits, a Talon, in each case appertaining to a Definitive Instrument.

"**Dublin Business Day**" means a day on which commercial banks and foreign exchange markets are open for business in Dublin.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Event of Default**" means any of the circumstances or events set out as an event of default in Condition 7 (*Events of Default*).

"**Exchange Act**" means the United States Securities Exchange Act of 1934.

"**Final Terms**" means final terms prepared in relation to the relevant Tranche substantially on the basis of the *pro forma* set out in Schedule 6 (*Pro Forma Final Terms*) to the Dealership Agreement.

"**Global Instrument**" means a CGN Temporary Global Instrument, a CGN Permanent Global Instrument, an NGN Temporary Global Instrument or an NGN Permanent Global Instrument.

"**ICSD DVP Syndicated New Issues Process**" means the Delivery Versus Payment (DVP) Syndicated New Issues process within the ICSDs announced on 30 November 2020 and expected to be introduced from 14 March 2022.

"**ICSDs**" means Clearstream, Luxembourg and Euroclear.

"**Instalment Instrument**" means an Instrument the principal amount of which is repayable by Instalments.

"**Local Time**" in relation to any payment, means the time in the city or town in which the relevant bank or the relevant branch or office thereof is located, and any reference to "**Local Banking Days**" in relation thereto is to days (other than Saturdays and Sundays) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in such city or town.

"Master Global Instrument" means a Master Temporary Global Instrument or a Master Permanent Global Instrument.

"Master Permanent Global Instrument" means a Permanent Global Instrument which is complete except that it requires:

- (a) a copy of the Final Terms in respect of the Tranche of Instruments to which it will relate to be attached thereto;
- (b) completion by the Issue and Paying Agent, on behalf of the Issuer, as to the details of the Tranche of Instruments to which it will relate;
- (c) authentication by or on behalf of the Issue and Paying Agent; and
- (d) in the case of an NGN Permanent Global Instrument, effectuation by or on behalf of the Common Safekeeper.

"Master Temporary Global Instrument" means a Temporary Global Instrument which is complete except that it requires:

- (a) a copy of the Final Terms in respect of the Tranche of Instruments to which it will relate to be attached thereto;
- (b) completion by the Issue and Paying Agent, on behalf of the Issuer, as to the details of the Tranche of Instruments to which it will relate;
- (c) authentication by or on behalf of the Issue and Paying Agent; and
- (d) in the case of an NGN Temporary Global Instrument, effectuation by or on behalf of the Common Safekeeper.

"NGN Permanent Global Instrument" means a Permanent Global Instrument representing Instruments for which the relevant Final Terms specify that the New Global Note form is applicable.

"NGN Temporary Global Instrument" means a Temporary Global Instrument representing Instruments for which the relevant Final Terms specify that the New Global Note form is applicable.

"outstanding" means, in relation to any Series of Instruments, all such Instruments and any Coupons relating thereto other than:

- (i) those which have been redeemed in full or purchased and cancelled pursuant to the Terms and Conditions;
- (ii) those in respect of which the date for redemption in full (including, but not limited to, the due date for payment of the final instalment in respect of an Instalment Instrument) has occurred and the redemption moneys therefor (including all arrears of interest to such date for redemption) have been duly paid to the Issue and Paying Agent in the manner provided for in this Agreement (and, where appropriate, notice to that effect has been given in accordance with

the Terms and Conditions) and remain available for payment in accordance with the Terms and Conditions;

- (iii) any Bearer Instrument (as defined below) which has been exchanged for a Registered Instrument (as defined below);
- (iv) those which have been forfeited or have become void or claims in respect of which have become prescribed under the Terms and Conditions;
- (v) (for the purpose only of ascertaining the amount outstanding and without prejudice to their status for any other purpose) those Instruments which are alleged to have been lost, stolen or destroyed and in respect of which replacement Instruments have been issued pursuant to the Terms and Conditions; those Instruments which have been mutilated or defaced and which have been surrendered or cancelled and in respect of which replacement Instruments have been issued pursuant to the Terms and Conditions;
- (vi) any Temporary Global Instrument to the extent that it has been exchanged for Definitive Instruments, Registered Instruments or a Permanent Global Instrument; and
- (vii) any Permanent Global Instrument to the extent that it has been exchanged for Definitive Instruments or Registered Instruments,

provided that for the purposes of Schedule 5 (*Provisions for Meetings of Holders of Instruments*) those Instruments which are held by, or are held on behalf of, the Issuer, the Guarantor or any subsidiary of the Guarantor and not cancelled shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"Permanent Global Instrument" means a Permanent Global Instrument substantially in the form set out in Schedule 2 (*Form of Permanent Global Instrument*) hereto.

"Receipt" means a payment receipt appertaining to an Instalment Instrument in definitive form.

"Registrar" means the Principal Registrar or the Alternative Registrar, as the case may be, as specified in the relevant Final Terms relating to Registered Instruments.

"Regulations" means the regulations concerning the transfer of Registered Instruments or for the exchange of Bearer Instruments for Registered Instruments as may from time to time be promulgated by the Issuer, the initial form of which is set out in Schedule 6 (*Regulations Concerning Transfer Of Registered Instruments And Exchanges Of Bearer Instruments For Registered Instruments*).

"Relevant Agreement" means an Agreement between the Issuer, the Guarantor and any Dealer(s) for the sale by the Issuer and the purchase by such Dealer(s) of any Instruments.

"Relevant Dealer" means, in respect of any Tranche of Instruments, the institution specified as such in the relevant Final Terms or, if there is only one Dealer in respect of such Tranche of Instruments, such Dealer.

"**Schedule**" means, unless the context indicates otherwise, a Schedule hereto.

"**Securities Act**" means the United States Securities Act of 1933.

"**Series**" means a Tranche or Tranches of Instruments the terms of which are identical except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches and a Series may comprise Instruments in more than one denomination and Instruments in bearer form and Instruments in registered form.

"**specified office**" means the office specified against the name of each Paying Agent, Registrar or Calculation Agent in Schedule 7 (*The Specified Offices Of The Paying Agents, The Registrars And The Calculations Agent*) or, in the case of any Paying Agent, Registrar or Calculation Agent not originally party hereto, specified in its terms of appointment (or, in the case of a Calculation Agent which is a Dealer, specified for the purposes of Clause 7 (*Changes in Dealers*) of the Dealership Agreement) or such other office in the same city or town as such Paying Agent or such Registrar or, as the case may be, such Calculation Agent may specify by notice to the Issuer, the Guarantor and the other parties hereto in accordance with Clause 16.8.

"**subsidiary**" means any company of which the Guarantor has control and "**control**" for the purpose hereof means the beneficial ownership whether direct or indirect of the majority of the issued share capital or the right to direct the management and policies whether by the ownership of share capital, contract or otherwise.

"**Talon**" means a talon exchangeable 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 Business Day**" means any day on which TARGET2 is open for the settlement of payments in euro.

"**Tax**" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

"**Temporary Global Instrument**" means a Temporary Global Instrument substantially in the form set out in Schedule 1 (*Form of Temporary Global Instrument*) hereto.

"**Terms and Conditions**" means, in relation to any Instruments, the terms and conditions applicable to such Instruments set out in the Base Prospectus, as completed in Part A of the relevant Final Terms prepared in respect of such Instruments and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

"**Tranche**" means Instruments which are issued on the same issue date, the terms of which are identical in all respects (save that a Tranche may comprise Instruments in more than one denomination and Instruments in bearer form and Instruments in registered form).

- 1.2 Terms used, but not defined, herein shall have the meanings ascribed to them in the Terms and Conditions.
- 1.3 Clause and Schedule headings are for ease of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.4 In this Agreement, any reference to payments of principal or interest includes any additional amounts payable in relation thereto under the Terms and Conditions.
- 1.5 Any reference in this Agreement to a statute, any provision thereof or to any statutory instrument, order or regulation made thereunder shall be construed as a reference to such statute, provision, statutory instrument, order or regulation as the same may have been, or may from time to time be, amended or re-enacted.
- 1.6 Any reference in this Agreement to the records of an ICSD shall be to the records that each of the ICSDs holds for its customers which reflect the amount of such customers' interests in the Instruments (but excluding any interest in Instruments of an ICSD shown in the records of another ICSD).
- 1.7 Unless the context otherwise requires, any reference to EU legislation, regulatory requirement, or guidance should be read as a reference to that EU legislation, regulatory requirement or guidance as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018 (as amended) or as otherwise adopted under, or given effect to in, UK legislation or the UK regulatory regime (UK Onshored Legislation, Regulatory Requirement, or Guidance) and any references to EU competent authorities should be read as references to the relevant UK competent authority. All references to legislation, regulatory requirements or guidance in this clause refer to the relevant legislation, regulatory requirements or guidance as amended from time to time.

1.8 **Amendment and Restatement**

The Existing Issue and Paying Agency Agreement shall be amended and restated on the terms of this Agreement. Any Instruments issued on or after the date of this Agreement shall be issued pursuant to this Agreement. This does not affect any Instruments issued prior to the date of this Agreement.

2. **APPOINTMENT OF THE PAYING AGENTS AND THE REGISTRAR**

- 2.1 The Issuer and the Guarantor appoint each of the Paying Agents, the Registrar and the Alternative Registrar at their respective specified offices as their agent in relation to the Instruments for the purposes specified in this Agreement and in the Terms and Conditions.
- 2.2 Each of the Paying Agents and each of the Registrars accepts its appointment as agent of the Issuer and the Guarantor in relation to the Instruments and shall perform all matters expressed to be performed by it in, and otherwise comply with, the Terms and Conditions and the provisions of this Agreement. No implied duties shall attach to the Paying Agents and the Registrar under this Agreement and the Terms and Conditions.

3. **THE INSTRUMENTS**

- 3.1 Each Temporary and Permanent Global Instrument shall:

- (a) be printed, lithographed or typewritten in substantially the form (duly completed) set out in (in the case of a Temporary Global Instrument) Schedule 1 (*Form of Temporary Global Instrument*) and (in the case of a Permanent Global Instrument) Schedule 2 (*Form of Permanent Global Instrument*) but with such modifications, amendments and additions as the Relevant Dealer, the Issuer and the Guarantor shall have agreed to be necessary;
- (b) have attached thereto or incorporated by reference therein the Terms and Conditions;
- (c) be executed manually or in facsimile by a director of the Issuer and by a director or by a duly authorised attorney on behalf of the Guarantor or shall be a duplicate of the relevant Master Temporary Global Instrument or, as the case may be, Master Permanent Global Instrument supplied by the Issuer under Clause 4.2 hereof and, in any case, shall be authenticated manually by or on behalf of the Issue and Paying Agent;
- (d) bear a unique serial number; and
- (e) in the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, be effectuated manually by or on behalf of the Common Safekeeper.

3.2 Each Definitive Instrument shall:

- (a) be in substantially the form (duly completed) set out in Schedule 3 (*Form of Definitive Instrument*) but with such modifications, amendments and additions as the Relevant Dealer, the Issuer and the Guarantor shall have agreed to be necessary;
- (b) unless the contrary is specified in the relevant Final Terms, be in the format used in and otherwise be in accordance with the customary practice of the international Eurobond market;
- (c) have a unique certificate or serial number printed thereon;
- (d) if so specified in the relevant Final Terms, have Coupons attached thereto at the time of its initial delivery;
- (e) if so specified in the relevant Final Terms, have a Talon attached thereto at the time of its initial delivery;
- (f) in the case of an Instalment Instrument, if so specified in the relevant Final Terms, have a Receipt attached thereto at the time of its initial delivery;
- (g) have the Terms and Conditions and the relevant Final Terms (or relevant parts thereof) endorsed thereon, or attached thereto or incorporated by reference therein;
- (h) be executed manually or in facsimile by a director and by a duly authorised attorney on behalf of the Guarantor and authenticated manually by or on behalf of the Issue and Paying Agent;

- (i) be printed in accordance with the requirements of any clearing system, by which such Instruments are intended to be accepted;
- (j) be printed in accordance with the requirements of any stock exchange, on which such Instruments may be listed; and
- (k) be printed in accordance with, and otherwise satisfy, any other applicable legal and/or regulatory requirements.

3.3 Each Registered Instrument shall:

- (a) be printed, lithographed or typewritten in substantially the form (duly completed) set out in Schedule 4 (*Form of Registered Instrument*) but with such modifications, amendments and additions as the Relevant Dealer, the Issuer and the Guarantor shall have agreed to be necessary;
- (b) have the Terms and Conditions endorsed thereon, attached thereto or incorporated by reference therein;
- (c) have the relevant Final Terms attached thereto; and
- (d) be executed manually or in facsimile by a director or by a duly authorised attorney on behalf of the Guarantor or, if applicable, shall be a duplicate of the relevant Master Registered Instrument supplied by the Issuer under Clause 4.2 hereof and, in any case, shall be authenticated manually by or on behalf of the Registrar.

3.4 Each Master Temporary Global Instrument, Master Permanent Global Instrument and Master Registered Instrument, if any, will be signed manually by a director or by a duly authorised attorney on behalf of the Guarantor. A Master Temporary Global Instrument, Master Permanent Global Instrument or Master Registered Instrument may be used **provided that** the person(s) whose signature(s) appear(s) thereon were/was an authorised signatory/ies at the date of signing such Master Temporary Global Instrument, Master Permanent Global Instrument or Master Registered Instrument notwithstanding that any such person may, for any reason, have ceased to be such authorised signatory at the time of the creation and issue of the relevant Tranche or the issue and delivery of the relevant Instrument.

3.5 Any facsimile signature affixed to an Instrument may be that of a person who is at the time of the creation and issue of the relevant Tranche an authorised signatory for such purpose of the Issuer notwithstanding that such person may for any reason have ceased to be such an authorised signatory at the time at which the relevant Instrument may be delivered.

3.6 The Issuer shall promptly notify in writing the Issue and Paying Agent and the Registrar of any change in the names of the person or persons whose signatures are to be used.

4. **ISSUANCE OF INSTRUMENTS**

4.1 Upon the conclusion of any Relevant Agreement, the Issuer shall, as soon as practicable but in any event, not later than 3.00 p.m. (London time) on the third Banking Day prior to the proposed Issue Date:

- (a) confirm by tested fax or Swift to the Issue and Paying Agent or, if such Instruments are to be Registered Instruments, the Registrar (copied to the Issue and Paying Agent), all such information as the Issue and Paying Agent or, as the case may be, the Registrar may reasonably require to carry out its functions under this Agreement and in particular, whether customary eurobond or medium term note settlement and payment procedures will apply to the relevant Tranche and (if a Master Global Instrument or Registered Instruments is/are to be used), such details as are necessary to enable it to complete a duplicate or duplicates of the Master Global Instrument or Master Registered Instruments and (if medium term note settlement and payment procedures are to apply) the account of the Issuer to which payment should be made;
 - (b) deliver a copy, duly executed, of the Final Terms in relation to the relevant Tranche to the Issue and Paying Agent or, as the case may be, the Registrar (copied to the Issue and Paying Agent); and
 - (c) unless a Master Global Instrument or a Master Registered Instrument is to be used and the Issuer shall have provided such document to the Issue and Paying Agent or, as the case may be, the Registrar pursuant to Clause 4.2, ensure that there is delivered to the Issue and Paying Agent an appropriate Global Instrument (in unauthenticated form but executed on behalf of the Issuer and otherwise complete) or, as the case may be, to the Registrar a stock of Registered Instruments (in unauthenticated form and with the names of the registered Holders left blank but executed on behalf of the Issuer and otherwise complete) in relation to the relevant Tranche.
- 4.2 The Issuer may, at its option, deliver from time to time to the Issue and Paying Agent a stock of Master Temporary Global Instruments and Master Permanent Global Instruments (in unauthenticated form but executed on behalf of the Issuer) and/or, to the Registrar, Master Registered Instruments (in unauthenticated form but executed on behalf of the Issuer).
- 4.3 The Issue and Paying Agent or, as the case may be, the Registrar shall on behalf of the Issuer, where the relevant Instruments are to be admitted to listing on the Official List and to trading on the Regulated Market of Euronext Dublin, deliver a copy of the Final Terms in relation to the relevant Tranche to the CBI and the Regulated Market of Euronext Dublin as soon as practicable but in any event not later than 2.00 p.m. (Local Time) on the Dublin Business Day prior to the proposed issue date therefor. The Issuer authorises the Issue and Paying Agent to submit Final Terms to the CBI and the Regulated Market of Euronext Dublin on behalf of the Issuer. The Issue and Paying Agent shall on behalf of the Issuer, where the relevant Instruments are to be admitted to listing, trading and/or quotation on a listing authority, stock exchange and/or quotation system other than the CBI and the Regulated Market of Euronext Dublin, deliver a copy of the Final Terms in relation to the relevant tranche to such listing authority, stock exchange and/or quotation system as soon as practicable and, in any event, no later than the latest time prescribed by such listing authority, stock exchange and/or quotation system for the submission of Final Terms.
- 4.4 On or before 10.00 a.m. (London time) on the Banking Day prior to the issue date in relation to each Tranche, the Issue and Paying Agent (or its agent) or, as the case may

be, the Registrar (or its agent) shall authenticate and deliver the relevant Global Instrument or, as the case may be, Registered Instruments to:

- (a) the relevant depository for Euroclear and/or Clearstream, Luxembourg (which in the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument shall be a specified Common Safekeeper) and/or any other relevant clearing system. The Issue and Paying Agent or, as the case may be, the Registrar shall give instructions to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system to whom (or to whose depository or Common Safekeeper) such Global Instrument has been delivered, to credit Instruments represented by a Global Instrument or, as the case may be, Registered Instruments registered in the name of the relevant depository, to the Issue and Paying Agent's or, as the case may be, the Registrar's distribution account and to hold each such Instrument to the order of the Issuer pending delivery to the relevant Dealer(s) on a delivery against payment basis (or on such other basis as shall have been agreed between the Issuer and the Relevant Dealer and notified to the Issue and Paying Agent or, as the case may be, the Registrar) in accordance with the normal procedures of Euroclear or Clearstream, Luxembourg or such other clearing system, as the case may be and, following payment, to credit the Instruments represented by such Global Instrument or the Registered Instruments to such securities account(s) as shall have been notified to the Issue and Paying Agent or, as the case may be, the Registrar by the Relevant Dealer. The Issue and Paying Agent or, as the case may be, the Registrar shall on the issue date in respect of the relevant Tranche and against receipt of funds from the relevant Dealer(s) transfer the proceeds of issue to the Issuer to the account notified in accordance with Clause 4.1 above. If no such securities account(s) shall have been specified, the Issue and Paying Agent or, as the case may be, the Registrar shall authenticate and make available at its specified office on the issue date in respect of the relevant Tranche the relevant Global Instrument or, as the case may be, Registered Instruments; or
- (b) in the case of settlement under the ICSD DVP Syndicated New Issues Process, to the relevant depository or specified Common Safekeeper for Euroclear and/or Clearstream, Luxembourg, as the case may be, for the relevant depository or specified Common Safekeeper to instruct Euroclear and/or Clearstream, Luxembourg, as the case may be, (i) to credit the Instruments represented by such Global Instrument free of payment to the Commissionaire Account of the mandated Dealer or such other Dealer as the Issuer may direct to settle the Instruments (the "**Settlement Bank**") and (ii) to release the Instruments only following payment of the proceeds of the issue into the Commissionaire Account, on a delivery against payment basis. In the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, such NGN Temporary Global Instrument or NGN Permanent Global Instrument must be delivered to the specified Common Safekeeper together with instructions to the specified Common Safekeeper to effectuate the NGN Temporary Global Instrument or an NGN Permanent Global Instrument, as applicable;

4.5 If the Issue and Paying Agent should pay an amount (an "**advance**") to the Issuer in the belief that a payment has been or will be received from a Dealer, and if such payment

is not received by the Issue and Paying Agent on the date that the Issue and Paying Agent pays the Issuer, the Issuer (whom failing, the Guarantor) shall forthwith repay the advance (unless prior to such repayment the payment is received from the Dealer) and shall pay interest on such amount which shall accrue (as well after as before judgment) on the basis of a year of 360 days (365 days (366 days in the case of a leap year) in the case of an advance paid in sterling) and the actual number of days elapsed from the date of payment of such advance until the earlier of (i) repayment of the advance or (ii) receipt by the Issue and Paying Agent of the payment from the Dealer, and at the rate per annum which is the aggregate of one per cent. per annum and the rate reasonably determined and certified by the Issue and Paying Agent and expressed as a rate per annum as reflecting its cost of funds for the time being in relation to the unpaid amount.

- 4.6 The Issuer shall, in relation to each Tranche of Instruments which is represented by a Temporary Global Instrument, ensure that there is delivered to the Issue and Paying Agent not less than ten or, in the case of an exchange for the Permanent Global Instrument, five Banking Days before the relevant Temporary Global Instrument becomes exchangeable therefor, the Permanent Global Instrument (in unauthenticated form, but executed by the Issuer and otherwise complete) in relation thereto unless a Master Permanent Global Instrument is to be used and the Issuer has provided the relevant document to the Issue and Paying Agent pursuant to Clause 4.2 or, as the case may be, the Definitive Instruments (in unauthenticated form, but executed by the Issuer and otherwise complete) in relation thereto. If, in the case of a Series comprising both Bearer Instruments and Registered Instruments, the Temporary Global Instrument is exchangeable for Definitive Instruments and/or Registered Instruments, (unless a Master Registered Instrument is to be used and the Issuer shall have provided the relevant document to the Registrar pursuant to Clause 4.2) the Issuer shall ensure that there is delivered to the Registrar, sufficient Registered Instruments to enable the Registrar to effect exchanges of interests in the Temporary Global Instrument for Registered Instruments in accordance with the terms of the Temporary Global Instrument. The Issue and Paying Agent or, as the case may be, the Registrar shall authenticate and deliver such Permanent Global Instrument or, as the case may be, Definitive Instruments and/or Registered Instruments in accordance with the terms hereof and of the relevant Temporary Global Instrument and, in the case of an NGN Permanent Global Instrument, the Issue and Paying Agent shall instruct the Common Safekeeper to effectuate the Permanent Global Instrument.
- 4.7 The Issuer shall, in relation to each Tranche of Instruments which is represented by a Permanent Global Instrument in relation to which an exchange notice has been given in accordance with the terms of such Permanent Global Instrument or which is due to be exchanged in accordance with its terms, ensure that there is delivered to the Issue and Paying Agent and/or, as the case may be, the Registrar not less than ten Banking Days before the latest date on which the relevant notice period expires or, in any event, on which such Permanent Global Instrument may be exchanged prior to becoming void, the Definitive Instruments and/or Registered Instruments (in unauthenticated form but executed by the Issuer and otherwise complete) in relation thereto. The Issue and Paying Agent or, as the case may be, Registrar shall authenticate and deliver such Definitive Instruments and/or Registered Instruments in accordance with the terms hereof and of the relevant Permanent Global Instrument.

- 4.8 Where any Definitive Instruments are to be delivered in exchange for a Temporary Global Instrument or a Permanent Global Instrument, the Issue and Paying Agent shall ensure that (i) in the case of Definitive Instruments with Coupons attached, such Definitive Instruments shall have attached thereto only such Coupons as shall ensure that neither loss nor gain of interest shall accrue to the bearer thereof; (ii) in the case of Instalment Instruments which are Definitive Instruments with Receipts, such Definitive Instruments shall have attached thereto only such Receipts in respect of Instalment Amounts as shall not then have been paid; and (iii) in the case of Instalment Instruments which are Definitive Instruments without Receipts, any Instalment Amounts that shall have then been paid shall be noted on the grid endorsed on such Definitive Instruments.
- 4.9 The Issue and Paying Agent or, as the case may be, the Registrar shall hold in its safe physical possession as bailee, in its vault, all unauthenticated Temporary Global Instruments, Permanent Global Instruments, Definitive Instruments (including any Coupons attached thereto) or, as the case may be, Registered Instruments delivered to it in accordance with this Clause 4 (*Issuance of Instruments*), Clause 5 (*Replacement Instruments*) and Clause 12 (*Miscellaneous Duties of the Registrars*) and shall ensure that the same (or, in the case of a Master Global Instrument or Master Registered Instruments, copies thereof) are authenticated and delivered only in accordance with the terms hereof and, if applicable, the relevant Temporary Global Instrument or Permanent Global Instrument. The Issuer shall ensure that each of the Issue and Paying Agent, the Registrar and the Replacement Agent (as defined in Clause 5.1) holds sufficient Instruments, Receipts or Coupons to fulfil its respective obligations under Clause 4 (*Issuance of Instruments*), Clause 5 (*Replacement Instruments*) and Clause 12 (*Miscellaneous Duties of the Registrars*) and each of the Issue and Paying Agent, the Registrar and the Replacement Agent undertakes to notify the Issuer if it holds insufficient Instruments, Receipts or Coupons for such purposes.
- 4.10 Each of the Issue and Paying Agent and the Registrar is authorised by the Issuer to authenticate such Temporary Global Instruments, Permanent Global Instruments, Definitive Instruments or, as the case may be, Registered Instruments as may be required to be authenticated hereunder by the signature of any of their respective officers or any other person duly authorised for the purpose by the Issue and Paying Agent or, as the case may be, the Registrar.
- 4.11 On each occasion on which a portion of a Temporary Global Instrument is exchanged for a portion of a Permanent Global Instrument or, as the case may be, for Definitive Instruments, and/or Registered Instruments, the Issue and Paying Agent shall:
- 4.11.1 *CGN Temporary Global Instrument*: in the case of a CGN Temporary Global Instrument, note or procure that there is noted in Annex I to the CGN Temporary Global Instrument the aggregate principal amount thereof so exchanged and the remaining principal amount of the CGN Temporary Global Instrument (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged) and shall procure the signature of such notation on its behalf; and
- 4.11.2 *NGN Temporary Global Instrument*: in the case of an NGN Temporary Global Instrument, instruct the ICSDs (in accordance with the provisions of Schedule 10 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the aggregate principal amount thereof so exchanged and

the remaining principal amount of the NGN Temporary Global Instrument (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged).

The Issue and Paying Agent shall cancel or procure the cancellation of each Temporary Global Instrument against surrender of which full exchange has been made for a Permanent Global Instrument or Definitive Instruments and/or Registered Instruments or, in the case of an NGN Temporary Global Instrument exchangeable for an NGN Permanent Global Instrument, instruct the Common Safekeeper to destroy such NGN Temporary Global Instrument.

4.12 On each occasion on which a portion of a Permanent Global Instrument is exchanged for Definitive Instruments and/or Registered Instruments, the Issue and Paying Agent shall:

4.12.1 *CGN Permanent Global Instrument:* in the case of a CGN Permanent Global Instrument, note or procure that there is noted in Annex I to the CGN Permanent Global Instrument the aggregate principal amount thereof so exchanged and the remaining principal amount of the CGN Permanent Global Instrument (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged) and shall procure the signature of such notation on its behalf; and

4.12.2 *NGN Permanent Global Instrument:* in the case of an NGN Permanent Global Instrument, instruct the ICSDs (in accordance with the provisions of Schedule 10 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the aggregate principal amount thereof so exchanged and the remaining principal amount of the NGN Permanent Global Instrument (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged).

The Issue and Paying Agent shall cancel or procure the cancellation of each Permanent Global Instrument against surrender of which full exchange has been made for Definitive Instruments and/or Registered Instruments.

4.13 The Issuer shall, in relation to any Definitive Instruments to which a Talon is attached upon the initial delivery thereof, on each occasion on which a Talon becomes exchangeable for further Coupons, not less than five Banking Days before the date on which the final Coupon comprised in any Coupon sheet (which includes a Talon) matures ("**Talon Exchange Date**"), ensure that there is delivered to the Issue and Paying Agent such number of Coupon sheets as may be required in order to enable the Paying Agents to fulfil their obligation under Clause 4.14 hereof.

4.14 The relevant Paying Agent shall, against the presentation and surrender of any Talon, on or after the Talon Exchange Date in respect of such Talon, deliver a Coupon sheet **provided that** if any Talon is presented and surrendered for exchange to a Paying Agent and the Replacement Agent (as defined in Clause 5.1) has delivered a replacement therefor such Paying Agent shall forthwith notify the Issuer of such presentation and surrender and shall not exchange against the same unless and until it is so instructed by the Issuer. After making such exchange, the Paying Agent shall cancel each Talon surrendered to it and in respect of which a Coupon sheet shall have been delivered and

shall (if such Paying Agent is not the Issue and Paying Agent) deliver the same to the Issue and Paying Agent.

- 4.15 The Issuer undertakes to notify the Issue and Paying Agent of any changes in the identity of the Dealers appointed generally in respect of the Programme and the Issue and Paying Agent agrees to notify the other Paying Agents and Registrars thereof as soon as reasonably practicable thereafter.
- 4.16 In the case of Partly Paid Instruments, on each occasion that payment is made to the Issuer in accordance with the Terms and Conditions of any Partly Paid Instalment in respect of any Instruments, the Issue and Paying Agent (in the case of a Temporary Global Instrument or a Permanent Global Instrument) or the Registrar (in the case of Registered Instruments) shall note or procure that there is noted in Annex I to the relevant Global Instrument or, in the case of Registered Instruments, in the Register against the name of the relevant registered Holder (i) the aggregate principal amount of such payment, and (ii) the increased principal amount of the relevant Instrument (which shall be the previous principal amount plus the amount referred to at (i) above) and shall procure the signature of such notation on its behalf.
- 4.17 In the case of Partly Paid Instruments, on each occasion on which any Instruments are to be forfeited, the Issuer will give notice thereof to the Issue and Paying Agent or, in the case of Registered Instruments, the Registrar (copied to the Issue and Paying Agent) of (in the case of a Bearer Instrument) the aggregate principal amount of Instruments which are to be forfeited or (in the case of Registered Instruments) the serial numbers of the Instruments (and the names of the registered Holders thereof) which are to be forfeited and of the relevant Forfeiture Date.
- 4.18 In the case of Partly Paid Instruments, on each occasion on which any Instruments are forfeited, the Issue and Paying Agent (in the case of a Temporary Global Instrument or a Permanent Global Instrument) or the Registrar (in the case of Registered Instruments) shall note or procure that there is noted in Annex I to the Temporary Global Instrument or Permanent Global Instrument or, in the case of Registered Instruments, in respect of each Registered Instrument against the name of the relevant registered Holder, the aggregate principal amount or, in the case of Registered Instruments, principal amount, so forfeited and the remaining principal amount of the Temporary Global Instrument or Permanent Global Instrument or Registered Instrument and shall procure the signature of such notation on its behalf. The Issue and Paying Agent shall cancel or procure the cancellation of each Temporary Global Instrument or, as the case may be, Permanent Global Instrument in respect of which all the Instruments represented thereby have been forfeited.
- 4.19 The Issuer hereby authorises and instructs the Issue and Paying Agent to elect an ICSD to be Common Safekeeper for each issue of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument in relation to which one of the ICSDs must be Common Safekeeper. From time to time, the Issuer and the Issue and Paying Agent may agree to vary this election. The Issuer acknowledges that in connection with the election of either of the ICSDs as Common Safekeeper any such election is subject to the right of the ICSDs to jointly determine that the other shall act as Common Safekeeper in relation to any such issue and agrees that no liability shall attach to the Issue and Paying Agent in respect of any such election made by it.

5. REPLACEMENT INSTRUMENTS

- 5.1 The Issue and Paying Agent or, as the case may be in respect of any Instruments, the Paying Agent named in the relevant Final Terms or the Registrar (in such capacity "**Replacement Agent**") shall, upon and in accordance with the instructions (which instructions may, without limitation, include terms as to the payment of expenses and as to evidence, security and indemnity) of the Issuer but not otherwise, authenticate and deliver a Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Talon, Coupon or, as the case may be, Registered Instrument as a replacement for any of the same which has been mutilated or defaced or which has or has been alleged to have been destroyed, stolen or lost **provided that** no Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Coupon or Registered Instrument shall be delivered as a replacement for any of the same which has been mutilated or defaced otherwise than against surrender of the same or, in the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, appropriate confirmation of destruction from the Common Safekeeper, and provided that any replacement NGN Temporary Global Instrument or NGN Permanent Global Instrument shall be delivered to the Common Safekeeper together with instructions to effectuate it.
- 5.2 Each replacement Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Coupon or Registered Instrument delivered hereunder shall bear a unique serial number and be in a form otherwise identical to the Instrument it so replaces.
- 5.3 The Replacement Agent shall cancel each mutilated or defaced Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Coupon or Registered Instrument surrendered to it and in respect of which a replacement has been delivered.
- 5.4 The Replacement Agent shall notify the Issuer and (in the case of the Bearer Instruments) the other Paying Agents of the delivery by it in accordance herewith of any replacement Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Coupon or Registered Instrument, specifying the serial number thereof and the serial number (if any and if known) of the Instrument which it replaces and confirming (if such be the case) that the Instrument which it replaces has been cancelled.
- 5.5 Unless the Issuer instructs otherwise, the Replacement Agent shall destroy each mutilated or defaced Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt, Coupon or Registered Instrument surrendered to and cancelled by it and in respect of which a replacement has been delivered and shall, as soon as reasonably practicable but not later than three months after such destruction, furnish the Issuer upon written request with a certificate as to such destruction and specifying the serial numbers of the Temporary Global Instrument, Permanent Global Instrument, Definitive Instruments (distinguishing between different denominations) and Registered Instruments in numerical sequence and the total number by payment or maturity date of Receipts and Coupons (distinguishing Talons) as destroyed. In the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument which has been destroyed by the Common Safekeeper, the Replacement Agent shall

furnish the Issuer and the Guarantor with a copy of the confirmation of destruction received by it from the Common Safekeeper.

6. PAYMENTS TO THE ISSUE AND PAYING AGENT

- 6.1 In order to provide for the payment of interest and principal or, as the case may be, any other amount payable in respect of the Instruments of each Series as the same shall become due and payable, the Issuer (failing whom, the Guarantor) shall pay to the Issue and Paying Agent on or before the date on which such payment becomes due an amount equal to the amount of principal or, as the case may be, interest (including for this purpose any amounts remaining payable in respect of uncanceled Coupons pertaining to Definitive Instruments which have been cancelled following their purchase in accordance with the Terms and Conditions) then becoming due in respect of such Instruments or any other amount payable.
- 6.2 Each amount payable by the Issuer or, as the case may be, the Guarantor under Clause 6.1 shall be paid unconditionally by credit transfer in the currency in which the Instruments of the relevant Series are denominated or, if different, payable and in immediately available, freely transferable funds not later than 10.00 a.m. (London Time) or, in the case of Instruments denominated in Renminbi, not later than 10.00 a.m. (Hong Kong Time), on the relevant day to such account with such bank as the Issue and Paying Agent may by notice to the Issuer or, as the case may be, the Guarantor have specified for the purpose. The Issuer or, as the case may be, the Guarantor shall, before 10 a.m. (London time) on the second Local Banking Day before the due date of each payment by it under Clause 6.1, confirm to the Issue and Paying Agent the amount of such payment, in respect of what such payment will be made and the name of the bank to which such payment is being made.
- 6.3 The Issue and Paying Agent shall be entitled to deal with each amount paid to it hereunder in the same manner as other amounts paid to it as a banker by its customers provided that:
- (a) it shall not against the Issuer or the Guarantor exercise any lien, right of set off or similar claim in respect thereof; and
 - (b) it shall not be liable to any person for interest thereon. No money held by any Agent need be segregated except as required by law.
- 6.4 All moneys paid to the Issue and Paying Agent by the Issuer or, as the case may be, the Guarantor in respect of any Instrument shall be held by the Issue and Paying Agent from the moment when such moneys are received until the time of actual payment thereof, to apply the same in accordance with Clause 7 (*Payments to Holders of Bearer Instruments*) and it shall not be obliged to repay any such amount unless or until claims against the Issuer in respect of the relevant Instruments are prescribed or the obligation to make the relevant payment becomes void or ceases in accordance with the Terms and Conditions, in which event it shall repay, as soon as practicable, to the Issuer or, as the case may be, the Guarantor such portion of such amount as relates to such claim or payment by paying the same by credit transfer to such account with such bank as the Issuer or, as the case may be, the Guarantor may by notice to the Issue and Paying Agent have specified for the purpose.

6.5 If the Issue and Paying Agent has not, (a) by 12.00 p.m. (London Time) on the second Local Banking Day before the due date of any payment to it under Clause 6.1, received notification of the relevant payment confirmation referred to in Clause 6.2 or (b) by 10.00 (a.m.) (London Time) on the due date of any payment received the full amount payable under Clause 6.1 it shall promptly notify the Issuer and the Guarantor and (in the case of Bearer Instruments) the Paying Agents thereof. If the Issue and Paying Agent subsequently receives notification of such payment instructions or payment of the amount due, it shall forthwith notify the Issuer and the Guarantor and (in the case of Bearer Instruments) the Paying Agents thereof. If the Issue and Paying Agent makes a payment in respect of Bearer Instruments at a time at which it has not received the full amount of the relevant payment due to it under Clause 6.1, the Issuer (failing whom the Guarantor) shall on demand pay to the Issue and Paying Agent the amount so paid out, together with interest thereon from the date on which the Issue and Paying Agent made such payment until the date of reimbursement of such amount.

7. PAYMENTS TO HOLDERS OF BEARER INSTRUMENTS

7.1 Subject to the procedures described in Schedule 9 (*Procedures For Compliance With Spanish Tax Legislation*) hereto, each Paying Agent acting through its specified office shall make payments of interest and principal or, as the case may be, any other amount payable in respect of Bearer Instruments in accordance with the Terms and Conditions applicable thereto (and, in the case of a Temporary Global Instrument or a Permanent Global Instrument, the terms thereof), *provided that*:

- (a) if any Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument, Receipt or Coupon is presented or surrendered for payment to any Paying Agent and such Paying Agent has delivered a replacement therefor or has been notified that the same has been replaced, such Paying Agent shall forthwith notify the Issuer of such presentation or surrender and shall not make payment against the same until it is so instructed by the Issuer and has received the amount to be so paid;
- (b) a Paying Agent shall not be obliged (but shall be entitled) to make such payments:
 - (i) if it is not able to establish that the Issue and Paying Agent has received (whether or not at the due time) the full amount of the relevant payment due to it under Clause 6.1; or
 - (ii) if it has been notified in accordance with Clause 6.5 that the relevant payment instructions have not been received unless it is subsequently notified that such payment instructions have been received;
- (c) each Paying Agent shall cancel or procure the cancellation of each Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument (in the case of early redemption, together with such unmatured Receipts or Coupons or unexchanged Talons as are attached to or are surrendered with it at the time of such redemption), Receipt or, as the case may be, Coupon against surrender of which it has made full payment and shall (if such Paying Agent is not the Issue and Paying Agent) deliver or procure the delivery of each Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument (together with

as aforesaid) Receipt or Coupon so cancelled by it to the Issue and Paying Agent and, in the case of full payment in respect of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, the Issue and Paying Agent shall instruct the Common Safekeeper to destroy the relevant Global Instrument; and

- (d) in the case of payment of principal or, as the case may be, interest against presentation of a Temporary Global Instrument or a Permanent Global Instrument or in the case of payment of an Instalment Amount in respect of an Instalment Instrument against presentation of a Definitive Instrument without Receipts, the relevant Paying Agent shall:
 - (i) in the case of a CGN Temporary Global Instrument or a CGN Permanent Global Instrument, enter or procure that there is entered in Annex I thereto (or, in the absence of an annex, on the face thereof) the amount of such payment and, in the case of payment of principal, the remaining principal amount of the Instruments represented by such Global Instrument (which shall be the previous principal amount less the principal amount in respect of which payment has then been paid) and shall procure the signature of such notation on its behalf; and
 - (ii) in the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, instruct the ICSDs (in accordance with the provisions of Schedule 10 (*Duties Under The Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the amount of such payment and, in the case of payment of principal, the remaining principal amount of the Instruments represented by such Global Instrument (which shall be the previous principal amount less the principal amount in respect of which payment has then been paid).

7.2 None of the Paying Agents shall exercise any lien, right of set off or similar claim against any person to whom it makes any payment under Clause 7.1 in respect thereof, nor shall any commission or expense be charged by it to any such person in respect thereof.

7.3 If a Paying Agent other than the Issue and Paying Agent makes any payment in accordance with Clause 7.1:

- (a) it shall notify the Issue and Paying Agent of the amount so paid by it, the serial number of the Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument or Coupon against presentation or surrender of which payment of principal or interest was made and the number of Coupons by maturity against which payment of interest was made; and
- (b) subject to and to the extent of compliance by the Issuer or, as the case be, the Guarantor with Clause 6.1 (whether or not at the due time), the Issue and Paying Agent shall reimburse such Paying Agent for the amount so paid by it by payment out of the funds received by it under Clause 6.1 of an amount equal to the amount so paid by it by paying the same by credit transfer to such account with such bank as such Paying Agent may by notice to the Issue and Paying Agent have specified for the purpose.

7.4 If the Issue and Paying Agent makes any payment in accordance with Clause 7.1, it shall be entitled to appropriate for its own account out of the funds received by it under Clause 6.1 an amount equal to the amount so paid by it.

7.5 If any Paying Agent makes a payment in respect of Bearer Instruments at a time at which the Issue and Paying Agent has not received the full amount of the relevant payment due to it under Clause 6.1, and the Issue and Paying Agent is not able out of the funds received by it under Clause 6.1 to reimburse such Paying Agent therefor (whether by payment under Clause 7.3 or appropriation under Clause 7.4), the Issuer (failing whom, the Guarantor) shall from time to time on demand pay to the Issue and Paying Agent for the account of such Paying Agent:

- (a) the amount so paid out by such Paying Agent and not so reimbursed to it; and
- (b) interest on such amount from the date on which such Paying Agent made such payment until the date of reimbursement of such amount,

provided that any payment made under paragraph (a) above shall satisfy *pro tanto* the Issuer's or, as the case may be, the Guarantor's obligations under Clause 6.1.

7.6 Interest shall accrue for the purpose of paragraph (b) of Clause 7.5 (as well after as before judgment) on the basis of a year of 360 days (365 days (366 days in the case of a leap year) in the case of an amount in sterling) and the actual number of days elapsed and at the rate per annum which is the aggregate of one per cent. per annum and the rate per annum specified by the Issue and Paying Agent as reflecting its cost of funds for the time being in relation to the unpaid amount.

7.7 If at any time and for any reason a Paying Agent makes a partial payment in respect of any Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument or Coupon presented or surrendered for payment to or to the order of that Paying Agent, such Paying Agent shall:

7.7.1 *Endorsement*: in the case of a CGN Temporary Global Instrument, CGN Permanent Global Instrument, Definitive Instrument or Coupon endorse thereon a statement indicating the amount and date of such payment; and

7.7.2 *ICSDs' records*: in the case of an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, instruct the ICSDs (in accordance with the provisions of Schedule 10 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their respective records to reflect such partial payments.

8. PAYMENTS TO HOLDERS OF REGISTERED INSTRUMENTS

8.1 Subject to the procedures described in Schedule 9 (*Procedures For Compliance With Spanish Tax Legislation*) hereto, each Paying Agent acting through its specified office shall make payments of interest and principal or, as the case may be, any other amount payable in respect of Registered Instruments in accordance with the Terms and Conditions applicable thereto, *provided that* such Paying Agent shall not be obliged (but shall be entitled) to make such payments if it is not able to establish that it has received (whether or not at the due time) the full amount of the relevant payment due to it under Clause 6.1.

- 8.2 Each Paying Agent shall not exercise any lien, right of set-off or similar claim against any person to whom it makes any payment under Clause 8.1 in respect thereof, nor shall any commission or expense be charged by it to any such person in respect thereof.
- 8.3 If a Paying Agent makes any payment in accordance with Clause 8.1, it shall be entitled to appropriate for its own account out of the funds received by it under Clause 6.1 an amount equal to the amount so paid by it.
- 8.4 If a Paying Agent makes a payment in respect of Registered Instruments at a time at which it has not received the full amount of the relevant payment due to it under Clause 6.1 and is not able out of funds received by it under Clause 6.1 to reimburse itself therefor by appropriation under Clause 8.3, the Issuer (failing whom, the Guarantor) shall from time to time on demand pay to such Paying Agent for its own account:
- (a) the amount so paid out by such Paying Agent and not so reimbursed to it; and
 - (b) interest on such amount from the date on which such Paying Agent made such payment until the date of reimbursement of such amount,

provided that any payment made under paragraph (a) above shall satisfy *pro tanto* the Issuer's or, as the case may be, the Guarantor's obligations under Clause 6.1.

- 8.5 Interest shall accrue for the purpose of paragraph (b) of Clause 8.4 (as well after as before judgment) on the basis of a year of 360 days (365 days (366 days in the case of a leap year) in the case of an amount in sterling) and the actual number of days elapsed and at the rate per annum which is the aggregate of one per cent. per annum and the rate per annum specified by the Issue and Paying Agent as reflecting its cost of funds for the time being in relation to the unpaid amount.
- 8.6 If at any time and for any reason a Paying Agent makes a partial payment in respect of any Registered Instrument surrendered for payment to it, such Paying Agent shall endorse thereon and in the register a statement indicating the amount and date of such payment.

9. **ISSUER AND GUARANTOR RIGHT TO REDIRECT**

In the event that the Issuer and the Guarantor (acting together) determine in their sole discretion that withholding for or on account of any Tax will be required by Applicable Law in connection with any payment due to any of the Agents on any Instruments, then the Issuer or Guarantor, as the case may be, will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deductions or withholding provided that, any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement. The Issuer and Guarantor will promptly notify the Agents of any such redirection or reorganisation.

10. **MISCELLANEOUS DUTIES OF THE ISSUE AND PAYING AGENT AND THE PAYING AGENTS**

Cancellation, destruction and records

- 10.1 The Issue and Paying Agent shall:

- (a) separately in respect of each Series of Instruments, maintain a record of all Temporary Global Instruments, Permanent Global Instruments, Definitive Instruments, Receipts and Coupons delivered hereunder and of their redemption, payment, exchange, forfeiture (in the case of Partly Paid Instruments), cancellation, mutilation, defacement, alleged destruction, theft or loss or replacement Provided that no record need be maintained of the serial numbers of Receipts or Coupons (save insofar as that a record shall be maintained of the serial numbers of unmatured Receipts and Coupons and/or unexchanged Talons missing at the time of redemption or other cancellation of the relevant Definitive Instruments and, in the case of Coupons, of any subsequent payments against such Coupons) and shall send forthwith to the other Paying Agents a list of any unmatured Receipts and Coupons and/or unexchanged Talons missing upon redemption of the relevant Definitive Instrument;
 - (b) separately in respect of each Series of Instruments, maintain a record of all certifications received by it in accordance with the provisions of any Temporary Global Instrument;
 - (c) upon written request by the Issuer or the Guarantor, inform the Issuer or the Guarantor of the spot rate of exchange quoted by it for the purchase of the currency in which the relevant Instruments are denominated against payment of U.S. dollars (or such other currency specified by the Issuer or the Guarantor) on the date on which the Relevant Agreement (as defined in the Dealership Agreement) in respect of such Instruments was made; and
 - (d) make such records available for inspection at all reasonable times by the Issuer, the Guarantor and the other Paying Agents.
- 10.2 The Paying Agents shall make available to the Issue and Paying Agent such information as may reasonably be required for:
- 10.2.1 the maintenance of the records referred to in Clause 10.1; and
 - 10.2.2 the Issue and Paying Agent to perform the duties set out in Schedule 10 (*Duties Under The Issuer-ICSDs Agreement*).
- 10.3 The Issuer may from time to time deliver to the Issue and Paying Agent Definitive Instruments and unmatured Coupons appertaining thereto for cancellation, whereupon the Issue and Paying Agent shall cancel such Definitive Instruments and Coupons. In addition, the Issuer may from time to time:
- 10.3.1 **Issue and Paying Agent:** procure the delivery to the Issue and Paying Agent of a CGN Temporary Global Instrument or a CGN Permanent Global Instrument with instructions to cancel a specified aggregate principal amount of Instruments represented thereby (which instructions shall be accompanied by evidence satisfactory to the Issue and Paying Agent that the Issuer or, as the case may be, the Guarantor is entitled to give such instructions) whereupon the Issue and Paying Agent shall note or procure that there is noted in Annex I to such CGN Temporary Global Instrument or (as the case may be) CGN Permanent Global Instrument the aggregate principal amount of Instruments so to be cancelled and the remaining principal amount thereof (which shall be the

previous principal amount thereof less the aggregate principal amount of the Instruments so cancelled) and shall procure the signature of such notation on its behalf; or

- 10.3.2 **ICSDs:** instruct the Issue and Paying Agent to cancel a specified aggregate principal amount of Instruments represented by an NGN Temporary Global Instrument or an NGN Permanent Global Instrument (which instructions shall be accompanied by evidence satisfactory to the Issue and Paying Agent that the Issuer, or as the case may be, the Guarantor is entitled to give such instructions) whereupon the Issue and Paying Agent shall instruct the ICSDs (in accordance with the provisions of Schedule 10 (*Duties Under The Issuer-ICSDs Agreement*)) to make appropriate entries in their respective records to reflect such cancellation.
- 10.4 As soon as practicable (but in any event not later than one month) after each interest or other payment date in relation to any Series of Bearer Instruments, after each date on which Instruments are cancelled in accordance with Clause 10.3, and after each date on which the Instruments fall due for redemption, the Issue and Paying Agent shall notify the Issuer, the Guarantor and the other Paying Agents (on the basis of the information available to it and distinguishing between the Instruments of each Series) of the serial numbers of any Definitive Instruments and/or the number of Coupons (by reference to maturity) against presentation or surrender of which payment has been made and of the serial numbers of any Definitive Instruments (distinguishing between different denominations) or, as the case may be, Coupons which have not yet been presented or surrendered for payment.
- 10.5 The Issue and Paying Agent:
- 9.5.1 *Cancelled Instruments:* may destroy each Temporary Global Instrument, Permanent Global Instrument, Definitive Instrument and Coupon cancelled by it (or cancelled by another Paying Agent or Replacement Agent and delivered to it) in accordance with Clause 4.11, Clause 4.12, Clause 4.13, Clause 5.3 or sub-clause 7.1 or Clause 10.3, in which case it shall furnish the Issuer and the Guarantor upon written request with a certificate as to such destruction distinguishing between the Instruments of each Series and specifying the certificate or serial numbers of the Temporary Global Instrument, Permanent Global Instrument and Definitive Instruments in numerical sequence (and containing particulars of any unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith) and the total number by payment or maturity date of Coupons (distinguishing Talons) so destroyed;
- 9.5.2 *Destruction by Common Safekeeper:* may instruct the Common Safekeeper to destroy each NGN Temporary Global Instrument and NGN Permanent Global Instrument in accordance with Clause 4.11 or Clause 7.1 in which case, upon receipt of confirmation of destruction from the Common Safekeeper, the Issue and Paying Agent shall furnish the Issuer and the Guarantor with a copy of such confirmation (provided that, if the Issue and Paying Agent is the Common Safekeeper, the Issue and Paying Agent shall destroy each NGN Temporary Global Instrument and NGN Permanent Global Instrument in accordance with Clause 4.11 or Clause 7.1 and furnish the Issuer and the Guarantor with confirmation of such destruction); and

- 9.5.3 *Instruments electronically delivered to the Common Safekeeper*: where it has delivered any authenticated Global Instrument to a Common Safekeeper for effectuation using electronic means, is authorised and instructed to destroy the authenticated Global Instrument retained by it following its receipt of confirmation from the Common Safekeeper that the relevant Global Instrument has been effectuated.

Voting Certificates and Block Voting Instructions

- 10.6 Each Agent shall co-operate with the Issuer and, if applicable, Euroclear and/or Clearstream, Luxembourg, and any stock exchange on which the Instruments are for the time being listed, in relation to the convening and holding of Meetings. Each Paying Agent shall, at the request of the Holder of any Bearer Instrument issue Voting Certificates and Block Voting Instructions in a form and manner which comply with the provisions of Schedule 5 (*Provisions for Meetings of Holders of Instruments*) (except that it shall not be required to issue the same less than forty eight hours before the time fixed for any Meeting therein provided for) and shall perform and comply with the provisions of Schedule 5 (*Provisions for Meetings of Holders of Instruments*). Each Paying Agent shall keep a full record of Voting Certificates and Block Voting Instructions issued by it and will give to the Issuer not less than twenty four hours before the time appointed for any Meeting or adjourned Meeting full particulars of all Voting Certificates and Block Voting Instructions issued by it in respect of such Meeting or adjourned Meeting.

Documents available for inspection

- 10.7 The Issuer shall provide to the Issue and Paying Agent for distribution among the Paying Agents:
- (a) specimen Instruments;
 - (b) sufficient copies of all documents required to be available for inspection as provided in the Base Prospectus or, in relation to any Instruments, the Terms and Conditions or Final Terms in respect of such Instruments; and
 - (c) in the event that the provisions of such Condition become relevant in relation to any Instruments, the documents required under the Condition headed "Early Redemption for Taxation Reasons".
- 10.8 Each Paying Agent shall make available for inspection during normal business hours at its specified office such documents as may be specified as so available at the specified office of such agent in the Base Prospectus or, in relation to any Instruments, the Terms and Conditions or Final Terms in respect of such Instruments, or as may be required by any stock exchange on which the Instruments may be listed and, without prejudice to the generality of the foregoing, the Issue and Paying Agent or other, the Paying Agent with its specified office in the United Kingdom shall make available for inspection during normal business hours at its specified office copies of the Base Prospectus and all other documents listed in the General Information section of the Base Prospectus and, in the event that the provisions of such Condition become relevant, the certificate required in the Condition headed "Early Redemption for Taxation Reasons".

- 10.9 The Issue and Paying Agent acknowledges that a duly executed original of each of the Deed of Covenant and the Guarantee has been deposited with and is held by it to the exclusion of the Issuer and the Guarantor and that each Relevant Account Holder (as defined in the Deed of Covenant) is entitled to production of such original. The Issue and Paying Agent shall provide, at the request and expense of each Relevant Account Holder, a certified copy of the Deed of Covenant and the Guarantee.

Notifications and Filings

- 10.10 The Issue and Paying Agent shall make all necessary notifications and filings as may be required from time to time in relation to the issue, purchase and redemption of Instruments by those laws, regulations and guidelines promulgated by (i) Japanese governmental or regulatory authorities, in the case of Instruments denominated in Japanese Yen and (ii) the Bank of England, in the case of Instruments denominated in Pounds Sterling. For the avoidance of doubt, the Issue and Paying Agent shall, upon becoming aware of such circumstance, make all necessary notifications and filings as may be required from time to time in relation to the issue, purchase and redemption of Instruments by all laws and regulations and guidelines applicable to the Issue and Paying Agent.

Indemnity

- 10.11 Each of the Paying Agents shall severally indemnify the Issuer and/or the Guarantor against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any irrecoverable applicable value added tax) which it may incur, otherwise than by reason of the Issuer's or, as the case may be, the Guarantor's own negligence or wilful misconduct, as a result or arising out of such Paying Agent's own negligence or wilful misconduct. This indemnity shall survive the termination or expiry of this Agreement and the resignation and removal of the Agents. No Agent shall be liable for consequential loss (being loss of business, goodwill, opportunity or profit) of any kind whatsoever even if advised of the possibility of such loss.

Notices

- 10.12 The Issue and Paying Agent agrees with the Issuer and the Guarantor that it will notify the relevant Dealers of the completion of distribution of the Instruments of any Tranche which are sold to or through more than one Dealer.
- 10.13 The Issue and Paying Agent shall as soon as reasonably practicable, and no later than 2 Business Days following the receipt of the notice, notify the Issuer and the Guarantor of any notice delivered to it declaring an Instrument due and payable by reason of an Event of Default or requiring any breach of any provision of the Issue and Paying Agency Agreement or the Terms and Conditions applicable to any Tranche of Instruments to be remedied.
- 10.14 The Issue and Paying Agent shall, upon and in accordance with the instructions of the Issuer or, as the case may be, the Guarantor but not otherwise, arrange for the publication in accordance with the Terms and Conditions of any notice which is to be given to the Holders of any Bearer Instruments and shall supply a copy thereof to each other Paying Agent.

10.15 In relation to any Series comprising Bearer and Registered Instruments, the Issue and Paying Agent shall accept receipt of requests to effect exchanges of Bearer Instruments for Registered Instruments together with the relevant Bearer Instruments, inform the Registrar (specifying (i) the aggregate principal amount of such Bearer Instruments, (ii) the name(s) and address(es) to be entered on the Register as the Holder(s) of the Registered Instrument(s) and (iii) the denomination(s) of the Registered Instrument(s)) and assist in the issue of the Registered Instrument(s) in accordance with the Terms and Conditions applicable thereto and in accordance with the Regulations. The Issue and Paying Agent shall, on the exchange date (as defined in the Terms and Conditions) applicable to such exchange of Bearer Instruments for Registered Instruments, cancel such Bearer Instruments (together with all unmatured Coupons and Receipts appertaining thereto and surrendered therewith).

Procedures for compliance with Spanish Tax legislation

10.16 The Issue and Paying Agent undertakes to comply with the obligations which are applicable to it pursuant to Schedule 9 (*Procedures For Compliance With Spanish Tax Legislation*).

Issuer-ICSDs Agreement

10.17 The Issue and Paying Agent shall comply with the provisions set out in Schedule 10 (*Duties Under The Issuer-ICSDs Agreement*).

11. EARLY REDEMPTION AND EXERCISE OF OPTIONS

11.1 If the Issuer intends (other than consequent upon an Event of Default) to redeem all or any of the Instruments prior to their stated maturity date or to exercise any other option under the Terms and Conditions, it shall, not less than 14 days prior to the latest date for the publication of the notice of redemption or of exercise of the Issuer's option required to be given to the Holders of any Instruments, give notice of such intention to the Issue and Paying Agent or, in the case of Registered Instruments, the Registrar (copied to the Issue and Paying Agent) stating the date on which such Instruments are to be redeemed or such option is to be exercised.

11.2 In respect of any Instruments to which Condition 6.06 (*Optional Early Redemption (Put)*) applies or which carry any other right of redemption or other right exercisable at the option of the Holders of such Instruments, the Issuer will provide the Paying Agents or, in the case of Registered Instruments, the Registrar with copies of the form of the current redemption notice or exercise notice and the Paying Agents or, as the case may be, the Registrar will make available forms of the current redemption notice or exercise notice to Holders of Instruments upon request during usual business hours at their respective specified offices. Upon receipt of any Bearer Instrument deposited in the exercise of such option, the Paying Agent with which such Bearer Instrument is deposited, or, in the case of Registered Instruments, upon receipt of any registered instrument together with a duly completed early redemption notice, the Registrar with which such Registered Instrument is deposited, shall hold such Instrument (together with, in the case of a Definitive Instrument, any Receipts and/or Coupons relating to it deposited with it) on behalf of the depositing Holder of such Instrument (but shall not, save as provided below, release it) until the due date for redemption of the relevant Instrument consequent upon the exercise of such option, or, as the case may be, the date

upon which the exercise of such option takes effect when, in the case of redemption and subject as provided below, it shall present such Instrument (and any such Receipts and/or Coupons) to the Paying Agents for payment in accordance with the Conditions and shall pay such moneys in accordance with the directions of the Holder of the Instrument contained in the relevant redemption notice. In the case of an exercise of any other option, the relevant Paying Agent or, in the case of Registered Instruments, the Registrar, shall take such steps as may be required to be taken by it in the Terms and Conditions. If, prior to such due date for its redemption or the date upon which the exercise of such option takes effect, an Event of Default occurs in respect of such Instrument or if upon due presentation payment of such redemption moneys is improperly withheld or refused, the Paying Agent concerned shall, without prejudice to the exercise of such option, mail such Instrument (together with any such Receipts and/or Coupons) by uninsured post to, and at the risk of, the Holder of the relevant Instrument at such address as may have been given by such Holder in the relevant redemption notice.

- 11.3 At the end of any applicable period for the exercise of such option or, as the case may be, not later than seven days after the latest date for the exercise of such option in relation to a particular date, in relation to Bearer Instruments each Paying Agent shall promptly notify the Issue and Paying Agent of the principal amount of the Instruments in respect of which such option has been exercised with it together with their serial numbers and the Issue and Paying Agent shall promptly notify such details to the Issuer and the Guarantor.
- 11.4 At the end of any applicable period for the exercise of such option or, as the case may be, not later than seven days after the latest date for the exercise of such option in relation to a particular date, in relation to Registered Instruments, the Registrar shall promptly notify the Issuer and the Guarantor of the principal amount of the Instruments in respect of which such option has been exercised together with their serial numbers.

12. MISCELLANEOUS DUTIES OF THE REGISTRARS

Cancellation and Records

- 12.1 The Registrar shall maintain, in relation to each Series of Registered Instruments in relation to which it is appointed as registrar, a register (each, a "**Register**"), which shall be kept in accordance with the Terms and Conditions applicable to such Series of Registered Instruments and the Regulations. Each Register shall show the aggregate principal amount and date of issue of each Tranche comprising the relevant Series of Registered Instruments, the names and addresses of the initial Holders thereof and the dates of all transfers to, and the names and addresses of, all subsequent Holders thereof.
- 12.2 The Registrar shall by the issue of new Registered Instruments, the cancellation of old Registered Instruments and the making of entries in the relevant Register give effect to transfers of Registered Instruments in accordance with the Terms and Conditions applicable thereto and in accordance with the Regulations.
- 12.3 The Issuer may from time to time deliver to the Registrar Registered Instruments of which it, the Guarantor or any of the Guarantor's subsidiaries is the Holder for cancellation, whereupon the Registrar shall cancel the same and shall make the corresponding entries in the relevant Register.

- 12.4 As soon as reasonably practicable but in any event within three months after each date on which Registered Instruments fall due for redemption, the Registrar shall notify the Issuer and the Guarantor of the serial numbers of any Registered Instruments against surrender of which payment has been made and of the serial numbers of any Registered Instruments (and the names and addresses of the Holders thereof) which have not yet been surrendered for payment.
- 12.5 The Registrar shall, upon and in accordance with the instructions of the Issuer or, as the case may be, the Guarantor but not otherwise, arrange for the delivery in accordance with the Terms and Conditions of any notice which is to be given to the Holders of Registered Instruments.
- 12.6 The Issuer shall ensure that each Registrar has available to it supplies of such Registered Instruments as shall be necessary in connection with the transfer of Registered Instruments and the exchange of Bearer Instruments for Registered Instruments under Clause 10.15 and this Clause 12 (*Miscellaneous Duties of the Registrars*).

Forms of Proxy and Block Voting Instructions

- 12.7 The Registrar shall issue Forms of Proxy and Block Voting Instructions in a form and manner which comply with the provisions of Schedule 5 (*Provisions for Meetings of Holders of Instruments*) (except that it shall not be required to issue the same less than forty-eight hours before the time fixed for any Meeting therein provided for) and shall perform and comply with the provisions of Schedule 5 (*Provisions for Meetings of Holders of Instruments*). The Registrar shall keep a full record of Forms of Proxy and Block Voting Instructions issued by it and will give to the Issuer or, as the case may be, the Guarantor not less than twenty-four hours before the time appointed for any Meeting or adjourned Meeting full particulars of all Forms of Proxy and Block Voting Instructions issued by it in respect of such meeting or adjourned Meeting.

Documents and Forms

- 12.8 The Issuer shall provide to the Registrar:
- (a) specimen Instruments;
 - (b) sufficient copies of all documents required to be available for inspection as provided in the Base Prospectus or, in relation to any Instruments, the Terms and Conditions or Final Terms in respect of such Instruments; and
 - (c) in the event that the provisions of such Condition become relevant in relation to any Instruments, the documents required under the Condition headed "Early Redemption for Taxation Reasons".
- 12.9 The Registrar shall make available for inspection during normal business hours at its specified office such documents as may be specified as so available at the specified office of such Registrar in the Base Prospectus or, in relation to any Instruments, the Terms and Conditions or Final Terms in respect of such Instruments or as may be required by any stock exchange on which the Instruments may be listed and, without prejudice to the generality of the foregoing, shall make available for inspection during normal business hours at its specified office copies of the Base Prospectus and all other

documents listed in the General Information section of the Base Prospectus and, in the event that the provisions of such Conditions become relevant, the certificate and opinion required in the Condition headed "Early Redemption for Taxation Reasons".

Provision of Information

- 12.10 The Registrar shall provide the Issue and Paying Agent with all such information as the Issue and Paying Agent may reasonably require in order to perform the obligations set out in Clause 10.10 (*Miscellaneous Duties of the Issue and Paying Agent and the Paying Agents – Notifications and Filings*) hereof.

Indemnity

- 12.11 The Registrar shall indemnify the Issuer and/or the Guarantor against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any irrecoverable applicable value added tax) which it may incur, otherwise than by reason of the Issuer's or, as the case may be, the Guarantor's own negligence or wilful misconduct, as a result or arising out of the Registrar's own negligence or wilful misconduct.

Exchanges of Bearer Instruments for Registered Instruments

- 12.12 In relation to any Series comprising Bearer and Registered Instruments, by the receipt of requests for exchanges of Bearer Instruments for Registered Instruments together with the relevant Bearer Instruments (or notifications from the Issue and Paying Agent of receipt thereof by the Issue and Paying Agent), the Registrar shall effect the issue of Registered Instruments and the making of entries in the Register, and give effect to exchanges of Bearer Instruments for Registered Instruments in accordance with the Terms and Conditions applicable thereto and in accordance with the Regulations.

The Registrar shall forthwith upon the receipt of the relevant Bearer Instrument(s) together with a request for the exchange of Bearer Instrument(s) for Registered Instrument(s) notify the Issue and Paying Agent thereof (specifying (i) the serial numbers of the Bearer Instrument(s), (ii) the aggregate principal amount of Instruments involved, and (iii) the exchange date (as defined in the Terms and Conditions) applicable thereto) and shall on the exchange date cancel the relevant Bearer Instrument(s) (together with all unmatured Coupons and Receipts appertaining thereto and surrendered therewith) and forward the same to the Issue and Paying Agent. The Registrar shall notify the Issuer and the Guarantor promptly of the exchange of Bearer Instruments for Registered Instruments, specifying the serial numbers of the Bearer Instruments and of the Registered Instruments issued in exchange therefor, the aggregate principal amount involved and the applicable exchange date.

13. APPOINTMENT AND DUTIES OF THE CALCULATION AGENT

Appointment

- 13.1 The Issuer and the Guarantor appoint the Issue and Paying Agent at its specified office as Calculation Agent in relation to each Series of Instruments in respect of which it is named as such in the relevant Final Terms(s) for the purposes specified in this Agreement and in the Terms and Conditions.

- 13.2 The Issue and Paying Agent accepts its appointment as Calculation Agent in relation to each Series of Instruments in respect of which it is named as such in the relevant Final Terms(s) and shall perform all matters expressed to be performed by it in, and otherwise comply with, the Terms and Conditions and the provisions of this Agreement. The Issue and Paying Agent acknowledges and agrees that it shall be named in the relevant Final Terms(s) as Calculation Agent in respect of each Series of Instruments unless the Dealer (or one of the Dealers) through whom such Instruments are issued has agreed with the Issuer and the Guarantor to act as Calculation Agent or the Issuer and the Guarantor otherwise agrees to appoint another institution as Calculation Agent.

Calculations and Determinations

- 13.3 The Calculation Agent shall in respect of each Series of Instruments in relation to which it is appointed as such:
- (a) obtain such quotes and rates and/or make such determinations, calculations, adjustments, notifications and publications as may be required to be made by it by the Terms and Conditions at the times and otherwise in accordance with the Terms and Conditions; and
 - (b) maintain a record of all quotations obtained by it and of all amounts, rates and other items determined or calculated by it and make such record available for inspection at all reasonable times by the Issuer, the Guarantor, the Paying Agents and, in the case of Registered Instruments, the Registrar.

Indemnity

- 13.4 The Calculation Agent shall indemnify the Issuer and/or the Guarantor against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any irrecoverable applicable value added tax) which it may incur, otherwise than by reason of the Issuer's or, as the case may be, the Guarantor's own negligence or wilful misconduct, as a result or arising out of such Paying Agent's own negligence or wilful misconduct.

14. FEES AND EXPENSES

- 14.1 The Issuer (failing whom, the Guarantor) shall pay to the Issue and Paying Agent for account of the Paying Agents and the Registrars such fees as may have been agreed between the Issuer and the Issue and Paying Agent in respect of the services of the Paying Agents and the Registrars hereunder (plus any applicable value added tax, if any). The Issuer (failing whom, the Guarantor) shall pay to any Calculation Agent such fees as may have been agreed between the Issuer and/or the Guarantor and such Calculation Agent in respect of its services hereunder (plus any applicable value added tax, if any).
- 14.2 The Issuer (failing whom, the Guarantor) shall on demand reimburse the Issue and Paying Agent, each Registrar, each Paying Agent and each Calculation Agent for all expenses (including, without limitation, legal fees and any publication, advertising, communication, courier, postage and other out of pocket expenses) reasonably incurred in connection with its services hereunder (plus any applicable value added tax, if any).

- 14.3 The Issuer (failing whom, the Guarantor) shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable in the Kingdom of Spain, the United Kingdom, Belgium and/or Luxembourg upon or in connection with the execution and delivery of this Agreement and any letters of appointment under which any Paying Agent, Registrar or Calculation Agent is appointed as agent hereunder, and shall indemnify each Paying Agent, each Registrar and each Calculation Agent (each an "**indemnified party**") against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any irrecoverable applicable value added tax, if any) which it may incur as a result or arising out of or in relation to any failure to pay or delay in paying any of the same except such as may result from such agent's negligence or wilful default or that of its officers, agents or employees. The foregoing indemnity shall extend also to the employees, officers, directors and agents of such indemnified party and to any person controlling any indemnified party (within the meaning of the Securities Act) (each a "**Related Party**"). However, no indemnified party shall have any duty or obligation, whether as fiduciary for any Related Party or otherwise to recover any payment or to account to any other person for any amounts paid to it under this subclause 14.3. This indemnity shall survive the termination or expiry of this Agreement and the resignation and removal of the Agents.
- 14.4 Neither the Issuer nor the Guarantor shall be liable for consequential loss (being loss of business, goodwill, opportunity or profit) of any kind whatsoever even if advised of the possibility of such loss.

15. **TERMS OF APPOINTMENT**

- 15.1 Each of the Paying Agents and the Registrars and (in the case of (d), (e) and (f)) each Calculation Agent may, in connection with its services hereunder:
- (a) (in the case of Bearer Instruments) except as ordered by a court of competent jurisdiction or as required by law and notwithstanding any notice to the contrary or any memorandum thereon, treat the bearer of any Instrument or Coupon as the absolute owner thereof and make payments thereon accordingly;
 - (b) assume that the terms of each Instrument, Receipt or Coupon as issued are correct;
 - (c) refer any question relating to the ownership of any Instrument, Receipt or Coupon or the adequacy or sufficiency of any evidence supplied in connection with the replacement of any Instrument, Receipt or Coupon to the Issuer for determination by the Issuer and rely upon any determination so made;
 - (d) rely upon the terms of any notice, communication, instruction or other document reasonably believed by it to be genuine or signed by the proper party or parties;
 - (e) engage and pay for the advice or services of any lawyers or other experts whose advice or services may seem necessary to it and rely upon any advice so obtained (and such Paying Agent, such Registrar or, as the case may be, such Calculation Agent shall be protected and shall incur no liability as against the

Issuer or the Guarantor in respect of any action taken, or suffered to be taken, in accordance with such advice and in good faith); and

- (f) treat itself as being released from any obligation to take any action hereunder which it reasonably expects will result in any expense or liability to it, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it.
- 15.2 Notwithstanding anything to the contrary herein or in the Terms and Conditions applicable to any Instruments, each of the Paying Agents, the Registrars and any Calculation Agent shall, in connection with their or its services hereunder, act purely as agent of the Issuer and the Guarantor and shall not: (i) have any any relationship of agency or trust with the Holders or any other person (other than the Issuer and the Guarantor, as set out in this Agreement), (ii) except as provided in this Agreement, be responsible for or liable in respect of the authorisation, validity or legality of any Instrument, Receipt or Coupon issued or paid by it hereunder or any act or omission of any other person (including, without limitation, any other party hereto and, in the case of the Calculation Agent, any bank from whom any quote may have been obtained) or (iii) be under any obligation towards any person other than the Issuer and the Guarantor and, in the case of the Paying Agents, the other Paying Agents.
- 15.3 Each Paying Agent, Registrar and Calculation Agent may purchase, hold and dispose of Instruments or Coupons and may enter into any transaction (including, among other transactions, any depositary, trust or agency transaction) with any Holders or owners of any Instruments or Coupons or with any other party hereto in the same manner as if it had not been appointed as the agent of the Issuer and the Guarantor in relation to the Instruments.
- 15.4 The Issuer (failing whom, the Guarantor) shall indemnify each indemnified party against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any irrecoverable applicable value added tax, if any) which it may incur, other than such costs and expenses as are separately agreed to be reimbursed out of the fees payable under Clause 14.1 and otherwise than by reason of its own negligence or wilful misconduct as a result or arising out of or in relation to its acting as the agent of the Issuer and the Guarantor in relation to the Instruments. The foregoing indemnity shall extend also to the Related Parties of each indemnified party. However, no indemnified party shall have any duty or obligation, whether as fiduciary for any Related Party or otherwise, to recover any payment or to account to any other person for any amounts paid to it under this subclause 15.4. This indemnity shall survive the termination or expiry of this Agreement and the resignation and removal of the Agents. Neither the Issuer nor the Guarantor shall be liable for consequential loss (being loss of business, goodwill, opportunity or profit) of any kind whatsoever even if advised of the possibility of such loss.
- 15.5 In no event shall the Paying Agents be liable for any losses arising from the Paying Agents receiving or transmitting any data to the Issuer (or any Authorised Person) or acting upon any notice, instruction or other communications via any Electronic Means. The Paying Agents have no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer (or any Authorised Person). The Issuer agrees that the security procedures, if any, to be followed in connection with a

transmission of any such notice, instructions or other communications, provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

"Electronic Means" shall mean the following communications methods: (i) non-secure methods of transmission or communication such as e-mail and facsimile transmission and (ii) secure electronic transmission containing applicable authorisation codes, passwords and/or authentication keys issued by the Agent, or another method or system specified by the Paying Agent as available for use in connection with its services hereunder.

- 15.6 Each of the Issuer and the Guarantor represents that neither they nor their directors and, to the best knowledge of the Guarantor or the Issuer, any of their affiliates, subsidiaries or officers are currently the target or subject of any sanctions enforced by the US Government, (including the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**")), the United Nations Security Council, the European Union or HM Treasury (collectively "**Sanctions**").

The Issuer covenants and represents that neither it nor any of its controlled subsidiaries, directors or officers will use any payments received pursuant to this Agreement, (i) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions or, (ii) to fund or facilitate any activities of or business with any country or territory that, at the time of such funding or facilitation, is the target or subject of comprehensive territorial Sanctions, except to the extent such funding or facilitation would not be prohibited for a person required to comply with Sanctions.

None of the representations and covenant above shall be made to the extent that the making or requirement of such representations and warranties would result (i) in any violation of or conflict the EU Blocking Regulation , as amended from time to time, or any law or regulation implementing such regulation in any member state of the European Union or (ii) any similar blocking or anti-boycott law in the United Kingdom and elsewhere, if applicable.

"EU Blocking Regulation" means Council Regulation (EC) 2271/96.

16. **CHANGES IN AGENTS**

- 16.1 Any Paying Agent, Registrar or Calculation Agent may resign its appointment as the agent of the Issuer and the Guarantor hereunder and/or in relation to any Series of Instruments upon the expiration of not less than thirty days' nor more than sixty days' notice to that effect by such Paying Agent or, as the case may be, such Registrar or Calculation Agent to the Issuer and the Guarantor in writing (with a copy, if necessary, to the Issue and Paying Agent) Provided, however, that:

- (a) in relation to any Series of Instruments any such notice which would otherwise expire within thirty days before or after the maturity date of such Series or any interest or other payment date in relation to any such Series shall be deemed, in relation to such Series only, to expire on the thirtieth day following such maturity date or, as the case may be, such interest or other payment date; and

- (b) in respect of any Series of Instruments, in the case of the Issue and Paying Agent, the Registrar or the Calculation Agent, the only remaining Paying Agent with its specified office in a continental European city or, so long as such Instruments are admitted to listing on the Official List and to trading on the Regulated Market of Euronext Dublin and/or admitted to listing, trading and/or quotation any other listing authority, stock exchange and/or quotation system, the Paying Agent or the Registrar with its specified office in London and/or in such other place as may be required by such other listing authority, stock exchange and/or quotation system, in the circumstances described in Condition 9A.04 (*Payments – Bearer Instruments*), the Paying Agent with its specified office in New York City, such resignation shall not be effective until a successor thereto has been appointed by the Issuer and the Guarantor as the agent of the Issuer and the Guarantor in relation to such Series of Instruments or in accordance with Clause 16.5 and notice of such appointment has been given in accordance with the Terms and Conditions.
- 16.2 The Issuer and the Guarantor (acting together) may revoke their appointment of any Paying Agent, Registrar or Calculation Agent as their agent hereunder and/or in relation to any Series of Instruments by not less than thirty days' written notice to that effect to such Paying Agent or, as the case may be, such Registrar or Calculation Agent, provided, however, that in respect of any Series of Instruments, in the case of the Issue and Paying Agent, the Registrar or the Calculation Agent, the only remaining Paying Agent with its specified office in a continental European city or, so long as such Instruments are admitted to listing on the Official List and to trading on the Regulated Market of Euronext Dublin and/or any other listing authority, stock exchange and/or quotation system, the Paying Agent or Registrar with its specified office in London and/or in such other place as may be required by such other listing authority, stock exchange and/or quotation system, in the circumstances described in Condition 9A.04 (*Payments – Bearer Instruments*), the Paying Agent with its specified office in New York City, such revocation shall not be effective until a successor thereto has been appointed by the Issuer and the Guarantor as the agent of the Issuer and the Guarantor in relation to such Series of Instruments and notice of such appointment has been given in accordance with the Terms and Conditions.
- 16.3 The appointment of any Paying Agent, Registrar or Calculation Agent as the agent of the Issuer and the Guarantor hereunder and in relation to each relevant Series of Instruments shall terminate forthwith if any of the following events or circumstances shall occur or arise, namely: (i) such Paying Agent or, as the case may be, Registrar or Calculation Agent becomes incapable of acting; (ii) such Paying Agent or, as the case may be, Registrar or Calculation Agent is adjudged bankrupt or insolvent; (iii) such Paying Agent or, as the case may be, Registrar or Calculation Agent files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver, administrator or other similar official of all or any substantial part of its property or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof; (iv) a resolution is passed or an order is made for the winding up or dissolution of such Paying Agent or, as the case may be, Registrar or Calculation Agent; (v) a receiver, administrator or other similar official of such Paying Agent or, as the case may be, Registrar or Calculation Agent or of all or any substantial part of its property is appointed; (vi) an order of any court is entered approving any petition filed by or against such Paying Agent or, as the case may be,

Registrar or Calculation Agent under the provisions of any applicable bankruptcy or insolvency law; or (vii) any public officer takes charge or control of such Paying Agent or, as the case may be, Registrar or Calculation Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation.

- 16.4 The Issuer and the Guarantor (acting together) may (and shall where necessary to comply with the Terms and Conditions) appoint substitute or additional agents in relation to the Instruments and shall forthwith notify the other parties hereto thereof, whereupon the parties hereto and such substitute or additional agents shall thereafter have the same rights and obligations among them as would have been the case had they then entered into an agreement in the form *mutatis mutandis* of this Agreement.
- 16.5 If, in relation to any Series of Instruments, any Paying Agent, Registrar or Calculation Agent gives notice of its resignation in accordance with Clause 16.1, the provisions of paragraph (b) of Clause 16.1 apply and by the tenth day before the expiration of such notice a successor to such Paying Agent or, as the case may be, Registrar or Calculation Agent as the agent of the Issuer and the Guarantor in relation to such Instruments has not been appointed by the Issuer and the Guarantor, such Paying Agent or, as the case may be, Registrar or Calculation Agent may itself, following such consultation with the Issuer and the Guarantor as may be practicable in the circumstances, appoint as its successor any reputable and experienced bank or financial institution (which will ensure compliance with the Terms and Conditions) and give notice of such appointment in accordance with the Terms and Conditions, whereupon the parties hereto and such successor agent shall thereafter have the same rights and obligations among them as would have been the case had they then entered into an agreement in the form *mutatis mutandis* of this Agreement.
- 16.6 Upon any resignation or revocation becoming effective under this Clause 16, the relevant Paying Agent or, as the case may be, Registrar or Calculation Agent shall:
- (a) be released and discharged from its obligations under this Agreement (save that it shall remain entitled to the benefit of and subject to and bound by (as appropriate) the provisions of Clause 10.11 (*Miscellaneous Duties of the Issue and Paying Agent and the Paying Agents – Indemnity*), Clause 12.11 (*Miscellaneous Duties of the Registrars – Indemnity*), Clause 13.4 (*Appointment and Duties of the Calculation Agent – Indemnity*), Clause 14.3, Clause 15 (*Terms of Appointment*) and this Clause 16 (*Changes in Agents*));
 - (b) repay to the Issuer or, as the case may be, the Guarantor such part of any fee paid to it in accordance with Clause 14.1 as may be agreed between the relevant Paying Agent or, as the case may be, Registrar or Calculation Agent and the Issuer;
 - (c) in the case of the Issue and Paying Agent, deliver to the Issuer, the Guarantor and to the successor Issue and Paying Agent a copy, certified as true and up to date by an officer of the Issue and Paying Agent, of the records maintained by it in accordance with Clause 8.6 (*Miscellaneous Duties of the Issue and Paying Agent and the Paying Agents*);
 - (d) in the case of a Registrar, deliver to the Issuer, the Guarantor and to the successor Registrar a copy, certified as true and up-to-date by an officer of such

Registrar, of each of the Registers and other records maintained by it in accordance with Clause 12 (*Miscellaneous Duties of the Registrars*);

- (e) in the case of a Calculation Agent, deliver to the Issuer, the Guarantor and to the successor Calculation Agent a copy, certified as true and up-to-date by an officer of such Calculation Agent of the records maintained by it in accordance with Clause 13.3 (*Appointment and Duties of the Calculation Agent – Calculations and Determinations*); and
- (f) forthwith (upon payment to it of any amount due to it in accordance with Clause 14 (*Fees and Expenses*) or Clause 15.4) transfer all moneys and papers (including any unissued Temporary Global Instruments, Permanent Global Instruments, Definitive Instruments, Receipts, Coupons, Talons or, as the case may be, Registered Instruments) held by it hereunder to its successor in that capacity and, upon appropriate notice, provide reasonable assistance to such successor for the discharge by it of its duties and responsibilities hereunder.

16.7 Any corporation into which any Paying Agent, Registrar or Calculation Agent may be merged or converted, any corporation with which any Paying Agent, Registrar or Calculation Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which any Paying Agent, Registrar or Calculation Agent shall be a party, or any corporation or association to which all or substantially all of the agency business of the Paying Agent, Registrar or Calculation Agent may be sold or otherwise transferred, shall, to the extent permitted by applicable law, be the successor to such Paying Agent or, as the case may be, Registrar or Calculation Agent as agent of the Issuer and the Guarantor hereunder and in relation to the Instruments without any further formality, whereupon the parties hereto and such successor agent shall thereafter have the same rights and obligations among them as would have been the case had they then entered into an agreement in the form *mutatis mutandis* of this Agreement. Notice of any such merger, conversion or consolidation shall forthwith be given by such successor to the Issuer and the Guarantor and the other parties hereto and in accordance with Condition 14 (*Notices*).

16.8 If any Paying Agent, Registrar or Calculation Agent decides to change its specified office (which may only be effected within the same city) it shall give notice to the Issuer and the Guarantor (with a copy, if necessary, to the Issuer and Paying Agent) of the address of the new specified office stating the date on which such change is to take effect, which date shall be not less than thirty days after the date of such notice. The relevant Paying Agent, Registrar or Calculation Agent shall at its own expense not less than fourteen days prior to the date on which such change is to take effect (unless the appointment of the relevant Paying Agent, Registrar or Calculation Agent is to terminate pursuant to any of the foregoing provisions of Clause 15 (*Terms of Appointment*) on or prior to the date of such change) publish or cause to be published notice thereof in accordance with the Terms and Conditions.

17. **GUARANTOR**

The Guarantor undertakes to procure that the Issuer will comply with all the obligations and duties expressed to be performed by the Issuer herein, failing which the Guarantor shall itself promptly perform all such obligations and duties in accordance with and pursuant to the Guarantee, where applicable.

18. NOTICES

All notices and communications hereunder shall be made in writing (by letter, email or fax), shall be effective upon receipt by the addressee and shall be sent as follows:

(a) if to the Issuer to it at:

Address: Distrito Telefónica
Edificio Central
c/ Ronda de la Comunicación, s/n
28050 Madrid

Fax: + 34 91 727 1397
Attention: Carlos David Maroto Sobrado

(b) if to the Guarantor to it at:

Address: Distrito Telefónica
Edificio Central
c/ Ronda de la Comunicación, s/n
28050 Madrid

Fax: + 34 91 727 1397
Email: Francois.Decleve@telefonica.com
Attention: François Decleve

(c) if to a Paying Agent, to the Issue and Paying Agent at:

Address: The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL

Fax: + 44 1202 689660
Email: corpsov4@bnymellon.com
Attention: Corporate Trust Administration – Telefonica Emisiones EMTN
Programme

(or in the case of a Issue and Paying Agent not originally a party hereto, specified by notice to the other parties hereto at or about the time of its appointment as the agent of the Issuer and the Guarantor)

(a) if to a Registrar to it at the address specified against its name in Schedule 7 (*The Specified Offices Of The Paying Agents, The Registrars And The Calculations Agent*) (or, in the case of a Registrar not originally a party hereto, specified by notice to the other parties hereto at or about the time of its appointment as the agent of the Issuer and the Guarantor) for the attention of the person or department therein specified (or as aforesaid)

(b) if to a Calculation Agent to it at the address, email or fax specified by notice to the other parties hereto at or about the time of its appointment as the agent of the Issuer and the Guarantor

or, in any case, to such other address, email or fax number or for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose.

The parties to this Agreement accept that some such methods of communication are not secure. The Issue and Paying Agent shall incur no liability for receiving instructions via any such non-secure method from persons believed by the Issue and Paying Agent to be authorised to give instructions on behalf of the Issuer or Guarantor, except if there has been negligence or wilful misconduct of the Issue and Paying Agent. The Issuer and Guarantor shall incur no liability for receiving data via any such non-secure method from persons believed by the Issuer or Guarantor to be authorised to transmit data on behalf of the Issue and Paying Agent, except if there has been negligence or wilful misconduct of the Issuer or Guarantor. The parties to this Agreement shall use all reasonable endeavours to ensure that instructions or communications transmitted pursuant to this Agreement are correct and complete. Any instructions or transmissions of data shall be conclusively deemed to be valid instructions for the purposes of this Agreement to the extent that such instructions or transmissions of data are sent by persons believed by the receiving party to be authorised to give instructions or transmit data.

19. LAW AND JURISDICTION

- 19.1 This Agreement and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
- 19.2 The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or connected with this Agreement (including a dispute relating to non-contractual obligations arising from or in connection with this Agreement or a dispute regarding the existence, validity or termination of this Agreement or the consequences of its nullity).
- 19.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.
- 19.4 Each of the Issuer and the Guarantor 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 Telefónica Digital Ltd, Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH, United Kingdom or, if different, its registered office for the time being or at any address of the Issuer or Guarantor in England at which process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of either or both the Issuer or the Guarantor, the Issuer and the Guarantor shall, on the written demand of any Paying Agent, Registrar or Calculation Agent addressed and delivered to the Issuer and the Guarantor appoint a further person in England to accept service of process on their behalf, and failing such appointment within 15 days, any Paying Agent, Registrar or Calculation Agent shall be entitled to appoint such a person by written notice addressed to the Issuer and the Guarantor and delivered to the Issuer and the Guarantor. Nothing in this paragraph shall affect the right of any Paying Agent, Registrar or Calculation Agent to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

20. MODIFICATION

For the avoidance of doubt, this Agreement may be amended by further agreement among the parties hereto and without the consent of the Holders of any of the Instruments.

21. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when so executed shall constitute one and the same binding agreement between the parties.

22. RIGHTS OF THIRD PARTIES

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

23. CONTRACTUAL RECOGNITION OF BAIL-IN

23.1 Notwithstanding and to the exclusion of any other term of this Agreement or any other agreements, arrangements, or understanding between the Paying Agents, the Alternative Registrar and the Issuer and the Guarantor, each of the Issuer and the Guarantor acknowledges and accepts that a BRRD Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

- (a) the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of the Paying Agents and the Alternative Registrar to the Issuer and the Guarantor under this Agreement, that (without limitation) may include and result in any of the following, or some combination thereof:
 - (i) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon;
 - (ii) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of the Paying Agents, the Alternative Registrar or another person, and the issue to or conferral on the Issuer and/or the Guarantor of such shares, securities or obligations;
 - (iii) the cancellation of the BRRD Liability;
 - (iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period;
 - (v) the variation of the terms of this Agreement, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority;

"Bail-in Legislation" means in relation to a member state of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant

implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time.

"Bail-in Powers" means any Write-down and Conversion Powers as defined in the EU Bail-in Legislation Schedule, in relation to the relevant Bail-in Legislation.

"BRRD" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"EU Bail-in Legislation Schedule" means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at the LMA website under EU Bail-in Legislation Schedule.

"BRRD Liability" means a liability in respect of which the relevant Write Down and Conversion Powers in the applicable Bail-in Legislation may be exercised.

"Relevant Resolution Authority" means the resolution authority with the ability to exercise any Bail-in Powers in relation to the Paying Agents and/or the Alternative Registrar.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first before written.

SCHEDULE 1
FORM OF TEMPORARY GLOBAL INSTRUMENT

Series Number: []

Serial Number: []

[Tranche Number: []]

TELEFÓNICA EMISIONES, S.A.U.
(incorporated with limited liability under the laws of the Kingdom of Spain)

EUR 40,000,000,000

Programme for the Issuance of Debt Instruments

unconditionally and irrevocably guaranteed by

TELEFÓNICA, S.A.

TEMPORARY GLOBAL INSTRUMENT

representing up to

[*Aggregate principal amount of Tranche*]¹

[*Title of Instruments*]

This global Instrument is a Temporary Global Instrument without interest coupons issued in respect of an issue of [*aggregate principal amount of Tranche*] in aggregate principal amount of [*title of Instruments*] (the "**Instruments**") by Telefónica Emisiones, S.A.U. (the "**Issuer**"), with registered office at Gran Vía 28, 28013 Madrid, Spain, incorporated by a public deed executed on 29 November 2004 and registered with the Commercial Registry of Madrid under Tome 20,733, Book 0, Sheet 7, Section 8, Page M-36726, Registration 1 and with tax identification number A84175421. This Temporary Global Instrument represents [•] Instruments with a principal amount of [Euro/[•]] [•] each. The Instruments are constituted by virtue of a public deed (*escritura pública*) of issuance dated [•] granted before the Notary of Madrid, [•], with number [•] of his/her protocol. The obligations of the Issuer in respect of the Instruments are guaranteed pursuant to a deed of guarantee (the "**Guarantee**") dated 6 April 2022 given by Telefónica, S.A. (the "**Guarantor**").

This Temporary Global Instrument is issued pursuant to an amended and restated Issue and Paying Agency Agreement (as supplemented, amended or replaced, the "**Issue and Paying Agency Agreement**") dated 6 April 2022 and made between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch in its capacity as Issue and Paying Agent (the "**Issue and Paying Agent**", which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), The Bank of New York Mellon, London Branch as principal registrar and certain other financial institutions named therein. Words and expressions defined in the Terms and Conditions (as defined in the Issue and Paying Agency Agreement) and the Issue and Paying Agency Agreement shall have the same meanings in this Temporary Global Instrument.

[The Instruments will entitle Holders to receive [*rate of interest*], payable on [*interest payment dates*.] / The Instruments will be non-interest bearing.]

¹ Include this footnote and complete the following where the Instruments are issued in a currency other than Euro: Equal to Euro [•] based on the exchange rate of [•].

The Issuer for value received promises, all in accordance with the "Terms and Conditions" to pay to the bearer upon presentation or, as the case may be, surrender hereof in respect of each Instrument for the time being represented hereby, on the maturity date specified in the Terms and Conditions or on such earlier date as any such Instrument may become due and payable in accordance with the Terms and Conditions, the Redemption Amount or, in the case of Instalment Instruments, in respect of each such Instrument for the time being from time to time represented hereby, such Instalment Amounts on such dates as may be specified in the Terms and Conditions or, if any such Instrument shall become due and payable on any other date, the Redemption Amount and, in respect of each such Instrument, to pay interest and all other amounts as may be payable pursuant to the Terms and Conditions, all subject to and in accordance therewith.

Except as specified herein, the bearer of this Temporary Global Instrument is entitled to the benefit of the Terms and Conditions and of the same obligations on the part of the Issuer as if such bearer were the bearer of the Instruments represented hereby and to the benefit of those provisions of the Terms and Conditions (and the obligations on the part of the Issuer contained therein) applicable specifically to Temporary Global Instruments, and all payments under and to the bearer of this Temporary Global Instrument shall be valid and effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Instruments.

Subject as provided in the Terms and Conditions with respect to Partly Paid Instruments, this Temporary Global Instrument is exchangeable in whole or in part for a Permanent Global Instrument or, if so specified in the Final Terms, for Definitive Instruments, or if so specified in the Final Terms, for Registered Instruments or for a combination of Definitive Instruments and Registered Instruments. An exchange for a Permanent Global Instrument or, as the case may be, Definitive Instruments will be made only on or after the Exchange Date (specified in the Terms and Conditions) and upon presentation or, as the case may be, surrender of this Temporary Global Instrument to the Issue and Paying Agent at its specified office [and upon and to the extent of delivery to the Issue and Paying Agent of a certificate or certificates issued by Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A., ("**Clearstream, Luxembourg**", together with Euroclear, the international central securities depositories or "**ICSDs**") or by any other relevant clearing system and dated not earlier than the Exchange Date in substantially the form set out in Annex I hereto or, as the case may be, in the form that is customarily issued in such circumstances by such other clearing system]. An exchange for Registered Instruments will be made at any time [without any requirement to provide certificates]² upon presentation or, as the case may be, surrender of this Temporary Global Instrument to the Issue and Paying Agent at its specified office. Any Definitive Instruments will be made available for collection by the persons entitled thereto at the specified office of the Issue and Paying Agent. Any Registered Instruments shall be made available in exchange in accordance with the Terms and Conditions and the Issue and Paying Agency Agreement (which shall apply as if the bearer of this Temporary Global Instrument were the bearer of the Instruments represented hereby).

The Issuer undertakes to procure that the relevant Permanent Global Instrument, Definitive Instruments and/or Registered Instruments will be duly issued in accordance with the Terms and Conditions, the provisions hereof and of the Issue and Paying Agency Agreement.

² Certificates are not required for an exchange of a Temporary Global Instrument for Permanent Global Instrument or for Definitive Instruments or for payments of interest if the relevant Final Terms specified that the Instruments are subject to TEFRA C Rules.

If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Instrument shall be a "New Global Note" or "NGN" and the principal amount of Instruments represented by this Temporary Global Instrument shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Temporary Global Instrument means the records that each ICSD holds for its customers which reflect the amount of such customers' interests in the Instruments (but excluding any interest in any Instruments of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Instruments represented by this Temporary Global Instrument and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Instruments represented by this Temporary Global Instrument at any time shall be conclusive evidence of the records of the ICSD at that time.

If the Final Terms specify that the New Global Note form is not applicable, this Temporary Global Instrument shall be a "Classic Global Note" or "CGN" and the principal amount of Instruments represented by this Temporary Global Instrument shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Annex I hereto.

The bearer of this Temporary Global Instrument shall not (unless, upon due presentation of this Temporary Global Instrument for exchange (in whole or in part) for a Permanent Global Instrument or for delivery of Definitive Instruments and/or Registered Instruments, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Instruments represented by this Temporary Global Instrument which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

Payments of interest otherwise falling due before the Exchange Date will be made only upon presentation of this Temporary Global Instrument at the specified office of any of the Paying Agents outside (unless Condition 9A.04 of the Terms and Conditions applies) the United States and upon and to the extent of delivery to the relevant Paying Agent of a certificate or certificates issued by Euroclear or Clearstream, Luxembourg or by any other relevant clearing system and dated not earlier than the relevant interest payment date in substantially the form set out in Annex III hereto or, as the case may be, in the form that is customarily issued in such circumstances by such other clearing system.

In the event that (i) this Temporary Global Instrument is not duly exchanged, whether in whole or in part, for a Permanent Global Instrument or, as the case may be, Definitive Instruments and/or Registered Instruments by 6.00 p.m. (London time) on the thirtieth day after the time at which the preconditions to such exchange are first satisfied or (ii) an Event of Default occurs in respect of any Instruments of the relevant Series and such Instruments are not duly redeemed (or the funds required for such redemption are not available to the Issue and Paying Agent for the purposes of effecting such redemption and remain available for such purpose) by 6.00 p.m. (London time) on the thirtieth day after the day on which such Instrument became immediately redeemable, then this Temporary Global Instrument will become void and the bearer will have no further rights hereunder (but without prejudice to the rights which such bearer or any other person may have under a deed of covenant dated 6 April 2022 and executed by the Issuer in respect of the Instruments (the "**Deed of Covenant**")).

All payments in respect of this Temporary Global Instrument shall be made against presentation of this Temporary Global Instrument to the Issue and Paying Agent at its specified

office in relation to the Instruments and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entry shall not affect such discharge.

On any occasion on which a payment of interest is made in respect of this Temporary Global Instrument, the Issuer shall procure that the same is noted in Annex I hereto or, if the Final Terms specify that the New Global Note form is applicable, that details of such payment shall be entered *pro rata* in the records of the ICSDs.

On any occasion on which a payment of principal is made in respect of this Temporary Global Instrument or on which this Temporary Global Instrument is exchanged in whole or in part as aforesaid or on which Instruments represented by this Temporary Global Instrument are to be cancelled or (in the case of Partly Paid Instruments) forfeited, the Issuer shall procure that (i) the aggregate principal amount of the Instruments in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which are delivered in definitive or registered form or which are to be exchanged for a permanent global instrument or which are to be cancelled or forfeited and (ii) the remaining principal amount of this Temporary Global Instrument (which shall be the previous principal amount hereof less the amount referred to at (i) above) are noted in Annex I hereto, whereupon the principal amount of this Temporary Global Instrument shall for all purposes be as most recently so noted. If the Final Terms specify that the New Global Note form is applicable, the Issuer shall procure that details of such payment, exchange or cancellation shall be entered *pro rata* in the records of the ICSDs and in the case of any payment of principal, the principal amount of the Instruments entered in the records of the ICSDs and represented by this Temporary Global Instrument shall be reduced by the principal amount so paid.

On each occasion on which an option is exercised in respect of any Instruments represented by this Temporary Global Instrument, the Issuer shall procure that the appropriate notations are made in Annex I hereto or, if the Final Terms specify that the New Global Note form is applicable, are entered in the records of the ICSDs.

In the case of Partly Paid Instruments, on each occasion that payment is made to the Issuer in accordance with the Terms and Conditions of any Partly Paid Instalment in respect of the Instruments represented by this Temporary Global Instrument, the Issuer shall procure that (i) the aggregate principal amount of such payment and (ii) the increased principal amount of this Temporary Global Instrument (which shall be the previous principal amount hereof plus the amount referred to at (i) above) are noted in Annex I hereto, whereupon the principal amount of this Temporary Global Instrument shall for all purposes be as most recently so noted. If the Final Terms specify that the New Global Note form is applicable, the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the ICSDs.

[Unless previously redeemed, or purchased and cancelled, the Instruments will be redeemed at [their principal amount] on [redemption date]. [Investor Put/Investor call].

This Temporary Global Instrument and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

This Temporary Global Instrument shall not be valid for any purpose until authenticated for and on behalf of The Bank of New York Mellon, London Branch as Issue and Paying Agent.

If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Instrument shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the ICSDs.

AS WITNESS the facsimile/manual signature of a director or a duly authorised attorney on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*director/duly authorised*)

ISSUED in [London] as of [] 20[]

AUTHENTICATED for and on behalf of
THE BANK OF NEW YORK MELLON
as Issue and Paying Agent without recourse,
warranty or liability

By:
[manual signature]
(*duly authorised*)

EFFECTUATED for and on behalf of

.....
as common safekeeper without
recourse, warranty or liability

By:
[manual signature]
(*duly authorised*)

ANNEX I

**Payments, Delivery of Definitive Instruments or Registered Instruments,
Exchange for Permanent Global Instrument, Exercise of Options, Forfeiture
(in the case of Partly Paid Instruments) and Cancellation of Instruments**

Date of payment, delivery, exchange, exercise of option (and date upon which exercise is effective), forfeiture or cancellation	Aggregate amount of Partly Paid Instalments then paid (in the case of Partly Paid Instruments)	Amount of interest then paid	Amount of principal then paid	Aggregate principal amount of Definitive or Registered Instruments then delivered	Aggregate principal amount of this Temporary Global Instrument then exchanged for the Permanent Global Instrument	Aggregate principal amount of Instruments then cancelled or, in the case of Partly Paid Instruments, forfeited	Aggregate principal amount in respect of which option is exercised	Remaining principal amount of this Temporary Global Instrument	Authorised signature of the Issue and Paying Agent

ANNEX II

[Form of certificate to be given in relation to exchanges of this Temporary Global Instrument for the Permanent Global Instrument or Definitive Instruments:]

TELEFÓNICA EMISIONES, S.A.U.
[Aggregate principal amount and title of Instruments]
(the "Securities")

This is to certify that, based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our "**Member Organisations**") substantially to the effect set forth in the Issue and Paying Agency Agreement dated 6 April 2022, [] principal amount of the above-captioned Securities (i) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States persons**"), (ii) is owned by United States persons that (a) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(iv) ("**financial institutions**")) purchasing for their own account or for resale, or (b) acquired the Securities through and are holding through on the date hereof (as such terms "acquired through" and "holding through" are described in U.S. Treasury Regulations Section 1.163-5(c) (2)(i)(D)(6)) foreign branches of United States financial institutions (and in either case (a) or (b), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We further certify (i) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the Temporary Global security excepted in such certifications and (ii) that as of the date hereof we have not received any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as at the date hereof.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Date: []³

**[EUROCLEAR BANK SA/NV /
CLEARSTREAM BANKING
S.A.]**

By:
[*authorised signature*]

³ To be dated not earlier than the Exchange Date.

ANNEX III

[Form of certificate to be given in relation to payments of interest falling due before the Exchange Date:]

TELEFÓNICA EMISIONES, S.A.U.
[Aggregate principal amount and title of Instruments]
(the "Securities")

This is to certify that, based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our "**Member Organisations**") substantially to the effect set forth in the Issue and Paying Agency Agreement dated 6 April 2022, [] principal amount of the above-captioned Securities (i) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States persons**"), (ii) is owned by United States persons that (a) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(iv) ("**financial institutions**")) purchasing for their own account or for resale, or (b) acquired the Securities through and are holding through on the date hereof (as such terms "acquired through" and "holding through" are described in U.S. Treasury Regulations Section 1.163-5(c) (2)(i)(D)(6)) foreign branches of United States financial institutions (and in either case (a) or (b), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We further certify (i) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the Temporary Global security excepted in such certifications and (ii) that as of the date hereof we have not received any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as at the date hereof.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Date: []⁴

**[EUROCLEAR BANK SA/NV /
CLEARSTREAM BANKING
S.A.]**

By:
[*authorised signature*]

⁴ To be dated not earlier than the relevant interest payment date.

ANNEX IV

[Form of account holder's certification referred to in the preceding certificates:]

TELEFÓNICA EMISIONES, S.A.U.
[Aggregate principal amount and title of Instruments]
(the "Securities")

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Securities held by you for our account (i) are owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to the United States Federal income taxation regardless of its source ("**United States persons**"), (ii) are owned by United States person(s) that (a) are foreign branches of a United States financial institution (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(iv)) ("**financial institutions**") purchasing for their own account or for resale, or (b) acquired the Securities through and are holding through on the date hereof (as such terms "acquired through" and "holding through" are described in U.S. Treasury Regulations Section 1.163-5(c) (2)(i) (D)(6)) foreign branches of United States financial institutions (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the issuer or the issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and in addition if the owner of the Securities is a United States or foreign financial institution described in clause (iii) above (whether or not also described in clause (i) or (ii)) this is further to certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the Securities held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to [] of such interest in the above Securities in respect of which we are not able to certify and as to which we understand exchange and delivery of definitive Securities (or, if relevant, exercise of any rights or collection of any interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Date: []⁵

[Account Holder] as or as agent for the beneficial owner of the Instruments.

By:
[*authorised signature*]

⁵ To be dated not earlier than fifteen days before the Exchange Date or, as the case may be the relevant interest payment date.

SCHEDULE 2
FORM OF PERMANENT GLOBAL INSTRUMENT

Series Number: []

Serial Number: []

[Tranche Number: []]

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.

TELEFÓNICA EMISIONES, S.A.U.
(incorporated with limited liability under the laws of the Kingdom of Spain)
EUR 40,000,000,000
Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A.
PERMANENT GLOBAL INSTRUMENT
representing up to
[Aggregate principal amount of Tranche]⁶
[Title of Instruments]

This global instrument is a Permanent Global Instrument without interest coupons issued in respect of an issue of [*aggregate principal amount of Tranche*] in aggregate principal amount of [*title of Instruments*] (the "**Instruments**") by Telefónica Emisiones, S.A.U. (the "**Issuer**"), with registered office at Gran Vía 28, 28013 Madrid, Spain, incorporated by a public deed executed on 29 November 2004 and registered with the Commercial Registry of Madrid under Tome 20,733, Book 0, Sheet 7, Section 8, Page M-36726, Registration 1 and with tax identification number A84175421. This Permanent Global Instrument represents [•] Instruments with a principal amount of [Euro/[•]] [•] each. The Instruments are constituted by virtue of a public deed (*escritura pública*) of issuance dated [•] granted before the Notary of Madrid, [•], with number [•] of his/her protocol. The obligations of the Issuer in respect of the Instruments are guaranteed pursuant to a deed of guarantee (the "**Guarantee**") dated 6 April 2022 given by Telefónica, S.A. (the "**Guarantor**").

This Permanent Global Instrument is issued pursuant to an amended and restated Issue and Paying Agency Agreement (as supplemented, amended or replaced, the "**Issue and Paying Agency Agreement**") dated 6 April 2022 and made between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch in its capacity as Issue and Paying Agent (the "**Issue and Paying Agent**", which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), The Bank of New York Mellon, London Branch as principal registrar and certain other financial institutions named therein. Words and expressions defined in the Terms and Conditions (as defined in the Issue and Paying Agency

⁶ Include this footnote and complete the following where the Instruments are issued in a currency other than Euro: Equal to Euro [•] based on the exchange rate of [•].

Agreement) and the Issue and Paying Agency Agreement shall have the same meanings in this Permanent Global Instrument.

[The Instruments will entitle Holders to receive [*rate of interest*], payable on [*interest payment dates*.] / The Instruments will be non-interest bearing.]

The Issuer for value received promises, all in accordance with the Terms and Conditions, to pay to the bearer upon presentation or, as the case may be, surrender hereof in respect of each Instrument for the time being from time to time represented hereby, on the maturity date specified in the Terms and Conditions or on such earlier date as any such Instrument may become due and payable in accordance with the Terms and Conditions, the Redemption Amount or, in the case of Instalment Instruments, in respect of each such Instrument for the time being from time to time represented hereby, such Instalment Amounts on such dates as may be specified in the Terms and Conditions or, if any such Instrument shall become due and payable on any other date, the Redemption Amount and, in respect of each such Instrument, to pay interest and all other amounts as may be payable pursuant to the Terms and Conditions, all subject to and in accordance therewith.

Except as specified herein, the bearer of this Permanent Global Instrument is entitled to the benefit of the Terms and Conditions and of the same obligations on the part of the Issuer as if such bearer were the bearer of the Instruments represented hereby and to the benefit of those Terms and Conditions (and the obligations on the part of the Issuer contained therein) applicable specifically to Permanent Global Instruments, and all payments under and to the bearer of this Global Instrument shall be valid and effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Instruments.

This Permanent Global Instrument will be exchanged in whole but not in part for Definitive Instruments or, if so specified in the Final Terms, for Registered Instruments or for a combination of Definitive Instruments and Registered Instruments if (a) an Event of Default occurs in respect of any Instrument of the relevant Series; (b) Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A. ("**Clearstream, Luxembourg**", together with Euroclear, the international central securities depositories or "**ICSDs**") or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so; or announces its intention to withdraw its acceptance of the Instruments for clearance and settlement through its system or in fact does so; or (c) if so specified in the Final Terms, at the option of the bearer hereof, and upon such bearer's request, in all cases at the cost and expense of the Issuer. In order to exercise the option contained in paragraph (c) of the preceding sentence, the bearer hereof must, not less than forty-five days before the date upon which the delivery of such Definitive Instruments and/or Registered Instruments is required, deposit this Permanent Global Instrument with the Issue and Paying Agent at its specified office with the form of exchange notice endorsed hereon duly completed. Any Definitive Instruments will be made available for collection by the persons entitled thereto at the specified office of the Issue and Paying Agent. Any Registered Instruments shall be made available in exchange in accordance with the Terms and Conditions and the Issue and Paying Agency Agreement (which shall apply as if the bearer of this Global Instrument were the bearer of the Instruments represented hereby). If the Issuer does not make the required delivery of such Definitive Instruments and/or Registered Instruments by 6.00 p.m. (London time) on the day on which the relevant notice period expires or, as the case may be, the thirtieth day after the day on which such Permanent Global Instrument becomes due to be exchanged, and, in the case of (a) above, such Instrument is not duly redeemed (or the funds required for such redemption are not

available to the Issue and Paying Agent for the purposes of effecting such redemption and remain available for such purpose) by 6.00 p.m. (London time) on the thirtieth day after the day on which such Instrument became immediately redeemable then this Permanent Global Instrument will become void and the bearer will have no further rights hereunder (but without prejudice to the rights which such bearer or any other persons may have under a deed of covenant dated 6 April 2022 and executed by the Issuer in respect of the Instruments (the "**Deed of Covenant**")).

If the Final Terms specify that the New Global Note form is applicable, this Global Instrument shall be a "New Global Note" or "NGN" and the principal amount of Instruments represented by this Global Instrument shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Global Instrument means the records that each ICSD holds for its customers which reflect the amount of such customers' interests in the Instruments (but excluding any interest in any Instruments of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Instruments represented by this Global Instrument and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Instruments represented by this Global Instrument at any time shall be conclusive evidence of the records of the ICSD at that time .

If the Final Terms specify that the New Global Note form is not applicable, this Global Instrument shall be a "Classic Global Note" or "CGN" and the principal amount of Instruments represented by this Global Instrument shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Annex I hereto.

The Issuer undertakes to procure that the relevant Definitive Instruments and/or Registered Instruments will be duly issued in accordance with the Terms and Conditions, the provisions hereof and of the Issue and Paying Agency Agreement.

All payments in respect of this Permanent Global Instrument shall be made against presentation of this Permanent Global Instrument to the Issue and Paying Agent at its specified office in relation to the Instruments and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entry shall not affect such discharge.

On any occasion on which a payment of interest is made in respect of this Permanent Global Instrument, the Issuer shall procure that the same is noted in Annex I hereto or, if the Final Terms specify that the New Global Note form is applicable, that details of such payment shall be entered *pro rata* in the records of the ICSDs.

On any occasion on which a payment of principal is made in respect of this Permanent Global Instrument or on which this Permanent Global Instrument is exchanged as aforesaid or on which any Instruments represented by this Permanent Global Instrument are to be cancelled or (in the case of Partly Paid Instruments) forfeited, the Issuer shall procure that (i) the aggregate principal amount of the Instruments in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which are delivered in definitive or registered form or which are to be cancelled or forfeited and (ii) the remaining principal amount of this Permanent Global Instrument (which shall be the previous principal amount hereof less the amount referred to at (i) above) are noted in Annex I hereto, whereupon the principal amount of this Permanent Global Instrument shall for all purposes be as most recently so noted. If the Final Terms specify that the New Global Note form is applicable, the Issuer shall procure

that details of such payment, exchange or cancellation shall be entered *pro rata* in the records of the ICSDs and in the case of any payment of principal, the principal amount of the Instruments entered in the records of the ICSDs and represented by this Temporary Global Instrument shall be reduced by the principal amount so paid.

In the case of Partly Paid Instruments, on each occasion that payment is made to the Issuer in accordance with the Terms and Conditions of any Partly Paid Instalment in respect of the Instruments represented by this Permanent Global Instrument, the Issuer shall procure that (i) the aggregate principal amount of such payment and (ii) the increased principal amount of this Permanent Global Instrument (which shall be the previous principal amount hereof plus the amount referred to at (i) above) are noted in Annex I hereto, whereupon the principal amount of this Permanent Global Instrument shall for all purposes be as most recently so noted. If the Final Terms specify that the New Global Note form is applicable, the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the ICSDs.

On each occasion on which an option is exercised in respect of any Instruments represented by this Permanent Global Instrument, the Issuer shall procure that the appropriate notations are made in Annex I hereto or, if the Final Terms specify that the New Global Note form is applicable, are entered in the records of the ICSDs.

Insofar as the Temporary Global Instrument by which the Instruments were initially represented has been exchanged in part only for this Permanent Global Instrument and is then to be further exchanged as to the remaining principal amount or part thereof for this Permanent Global Instrument, then upon presentation of this Permanent Global Instrument to the Issue and Paying Agent at its specified office and to the extent that the aggregate principal amount of such Temporary Global Instrument is then reduced by reason of such further exchange, the Issuer shall procure that (i) the aggregate principal amount of the Instruments in respect of which such further exchange is then made and (ii) the new principal amount of this Permanent Global Instrument (which shall be the previous principal amount hereof plus the amount referred to at (i) above) are noted in Annex I hereto, whereupon the principal amount of this Permanent Global Instrument shall for all purposes be as most recently noted.

[Unless previously redeemed, or purchased and cancelled, the Instruments will be redeemed at [their principal amount] on [redemption date]. [Investor Put/Investor call].

This Permanent Global Instrument and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

This Permanent Global Instrument shall not be valid for any purpose until authenticated for and on behalf of The Bank of New York Mellon, London Branch as Issue and Paying Agent.

If the Final Terms specify that the New Global Note form is applicable, this Permanent Global Instrument shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the ICSDs.

AS WITNESS the facsimile/manual signature of a director or a duly authorised attorney on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*director/duly authorised*)

ISSUED in [London] as of [] 20[]

AUTHENTICATED for and on behalf of
THE BANK OF NEW YORK MELLON
as Issue and Paying Agent without recourse,
warranty or liability

By:
[manual signature]
(*duly authorised*)

EFFECTUATED for and on behalf of

.....
as common safekeeper without
recourse, warranty or liability

By:
[manual signature]
(*duly authorised*)

ANNEX I

Payments, Delivery of Definitive Instruments or Registered Instruments, Further Exchanges of the Temporary Global Instrument, Exercise of Options, Forfeiture (in the case of Partly Paid Instruments) and Cancellation of Instruments

Date of payment, delivery, further exchange of Temporary Global Instrument, exercise of option (and date upon which exercise is effective), forfeiture or cancellation	Amount of interest then paid	Amount of principal then paid	Aggregate amount of Partly Paid Instalments, then paid (in the case of Partly Paid Instruments)	Aggregate principal amount of Definitive or Registered Instruments then delivered	Aggregate principal amount of Instruments then cancelled or, in the case of Partly Paid Instruments, forfeited	Aggregate principal amount of further exchanges of Temporary Global Instrument	Aggregate principal amount in respect of which option is exercised	Current principal amount of this Global Instrument	Authorised signature of the Fiscal Agent

EXCHANGE NOTICE

....., being the bearer of this Global Instrument at the time of its deposit with the Issue and Paying Agent at its specified office for the purposes of the Instruments, hereby exercises the option set out above to have this Global Instrument exchanged in whole for Definitive Instruments/Registered Instruments [[] in aggregate principal amount of Definitive Instruments and [] in aggregate principal amount of Registered Instruments] and directs that [such Definitive Instruments be made available for collection by it from the Issue and Paying Agent's specified office/and that/such Registered Instruments be made available for collection at the specified office of the Registrar/be mailed to the (respective) address(es) of the registered holder(s) as set forth below].⁷

Details for insertion in register in respect of Registered Instruments:

Name(s) and address(es) of registered holder(s):
.....
.....
.....
.....

By:
(duly authorised)

⁷ Delete and complete, as appropriate.

SCHEDULE 3
FORM OF DEFINITIVE INSTRUMENT

[On the face of the Instrument:]

Series Number: []

Serial Number: []

[Tranche Number: []]

[*Denomination*]

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.

TELEFÓNICA EMISIONES, S.A.U.

(incorporated with limited liability under the laws of the Kingdom of Spain)

EUR 40,000,000,000

Programme for the Issuance of Debt Instruments

unconditionally and irrevocably guaranteed by

TELEFÓNICA, S.A.

[*Aggregate principal amount of Tranche*]⁸

[*Title of Instruments*]

The Instruments are constituted by virtue of a public deed (*escritura pública*) of issuance dated [•] granted before the Notary of Madrid, [•], with number [•] of his/her protocol. Telefónica Emisiones, S.A.U. (the "**Issuer**"), with registered office at Gran Vía 28, 28013 Madrid, Spain, incorporated by a public deed executed on 29 November 2004 and registered with the Commercial Registry of Madrid under Tome 20,733, Book 0, Sheet 7, Section 8, Page M-36726, Registration 1 and with tax identification number A84175421, for value received promises, all in accordance with the terms and conditions [endorsed hereon/attached hereto] [and the Final Terms referred to therein and prepared in relation to the Instruments] (the "**Terms and Conditions**") to pay at [specified office of Paying Agent] to the bearer upon presentation or, as the case may be, surrender hereof on the maturity date specified in the Terms and Conditions or on such earlier date as the same may become payable in accordance therewith the Redemption Amount or, if this Instrument is an Instalment Instrument, such Instalment Amounts on such dates as may be specified in the Terms and Conditions or if this Instrument shall become due and payable on any other date, the Redemption Amount and to pay interest and all other amounts as may be payable pursuant to the Terms and Conditions, all subject to and in accordance therewith.

The obligations of the Issuer in respect of the Instruments, are guaranteed pursuant to a deed of guarantee (the "**Guarantee**") dated 6 April 2022 given by Telefónica, S.A. (the "**Guarantor**").

⁸ Include this footnote and complete the following where the Instruments are issued in a currency other than Euro: Equal to Euro [•] based on the exchange rate of [•].

Words and expressions defined in the Terms and Conditions shall have the same meanings when used on the face of this Instrument.

This Instrument is issued pursuant to an amended and restated Issue and Paying Agency Agreement (as supplemented, amended or replaced, the "**Issue and Paying Agency Agreement**") dated 6 April 2022 and made between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch in its capacity as Issue and Paying Agent (the "**Issue and Paying Agent**" which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), The Bank of New York Mellon, London Branch as principal registrar and certain other financial institutions named therein.

[This Instrument shall not/Neither this Instrument nor any of the interest coupons[, talons or receipts] appertaining hereto shall] be valid for any purpose until this Instrument has been authenticated for and on behalf of the Issue and Paying Agent.

This Instrument and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

AS WITNESS the manual/facsimile signature of a director or duly authorised officer on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*director/duly authorised*)

ISSUED in [London] as of [] 20[]

AUTHENTICATED for and on behalf of
THE BANK OF NEW YORK MELLON
as Issue and Paying Agent
without recourse, warranty or liability

By:
[manual signature]
(*duly authorised*)

[On the reverse of the Instruments:]

Terms and Conditions

[As contemplated in the Base Prospectus and as amended supplemented or replaced by the relevant Final Terms]

[At the foot of the Terms and Conditions:]

ISSUE AND PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL

PAYING AGENTS

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Forms of Coupons

[Attached to the Instruments (interest-bearing, fixed rate or fixed coupon amount and having Coupons):]

[On the front of Coupon:]

TELEFÓNICA EMISIONES, S.A.U.
EUR 40,000,000,000
Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A.

[*Amount and title of Instruments*]

Series No: []

Serial Number of Instrument: []

Tranche No: []

Coupon for [*set out the amount due*] due on [date] [Interest Payment Date falling in [month, year]]⁹

Such amount is payable (subject to the Terms and Conditions applicable to the Instrument to which this Coupon appertains, which shall be binding on the Holder of this Coupon whether or not it is for the time being attached to such Instrument) against surrender of this Coupon at the specified office of the Issue and Paying Agent or any of the Paying Agents set out on the reverse hereof (or any other or further fiscal or paying agents and/or specified offices from time to time designated for the purpose by notice duly given in accordance with such Terms and Conditions).

[The attention of Couponholders is drawn to Condition 9A.06(i) of the Terms and Conditions. The Instrument to which this Coupon appertains may, in certain circumstances specified in such Terms and Conditions, fall due for redemption before the due date in relation to this Coupon. In such event the Paying Agent to which such Instrument is presented for redemption may determine, in accordance with the aforesaid condition 9A.06(i) that this Coupon is to become void.]

⁹ Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention.

AS WITNESS the Issuer has caused this Coupon to be duly executed by the manual/facsimile signature of a director or duly authorised officer on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*director/duly authorised*)

TELEFÓNICA, S.A.

By:
[manual/facsimile signature]
(director/duly authorised)

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.

[Attached to the Instrument (interest-bearing, floating rate or variable coupon amount and having Coupons):]

TELEFÓNICA EMISIONES, S.A.U.
EUR 40,000,000,000
Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A.

[Amount and title of Instruments]

Series No: []

Serial Number of Instrument: []

Tranche No: []

Coupon for the amount due on [date] [Interest Payment Date falling in [month, year]]¹⁰

[Coupon relating to the Instrument in the principal amount of []]¹¹

Such amount is payable (subject to the Terms and Conditions applicable to the Instrument to which this Coupon appertains, which shall be binding on the Holder of this Coupon whether or not it is for the time being attached to such Instrument) against surrender of this Coupon at the specified office of the Issue and Paying Agent or any of the Paying Agents set out on the reverse hereof (or any other or further fiscal or paying agents and/or specified offices from time to time designated for the purpose by notice duly given in accordance with such Terms and Conditions).

[The Instrument to which this Coupon appertains may, in certain circumstances specified in such Terms and Conditions, fall due for redemption before the due date in relation to this Coupon. In such event, this Coupon will become void and no payment will be made in respect hereof.]¹²

¹⁰ Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention.

¹¹ This wording is only required for Instruments which are issued in more than one denomination.

¹² Delete if the provisions of paragraph (ii) of Condition 9A.06 do not apply.

AS WITNESS the Issuer has caused this Coupon to be duly executed by the manual/facsimile signature of a director or duly authorised officer on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*[director/duly authorised]*)

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.

[On the reverse of each Coupon:]

FISCAL AGENT: **THE BANK OF NEW YORK MELLON, LONDON BRANCH**
One Canada Square
London E14 5AL

PAYING AGENTS: **THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH**
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Form of Talon

TELEFÓNICA EMISIONES, S.A.U.
EUR 40,000,000,000

Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A.
[Amount and title of Instruments]

Series No: []

Serial Number of Instrument: []

Tranche No: []

Talon for further Coupons

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.

After all the Coupons appertaining to the Instrument to which this Talon appertains have matured, further Coupons [(including, where appropriate, a Talon for further Coupons)] will be issued at the specified office of the Issue and Paying Agent or any of the Paying Agents set out in the reverse hereof (or any other or further paying agents and/or specified offices from time to time designated by notice duly given in accordance with the Terms and Conditions applicable to the Instrument to which this Talon appertains (which shall be binding on the Holder of this Talon whether or not it is for the time being attached to such Instrument)) upon production and surrender of this Talon upon and subject to such Terms and Conditions.

Under the said Terms and Conditions, such Instrument may, in certain circumstances, fall due for redemption before the original due date for exchange of this Talon and in any such event this Talon shall become void and no exchange shall be made in respect hereof.

[On the reverse of each Talon:]

ISSUE AND **THE BANK OF NEW YORK MELLON, LONDON**
BRANCH

PAYING AGENT: One Canada Square
London E14 5AL

PAYING AGENTS: **THE BANK OF NEW YORK MELLON SA/NV,**
LUXEMBOURG BRANCH

Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Form of Receipt

TELEFÓNICA EMISIONES, S.A.U.

EUR 40,000,000,000

Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by

TELEFÓNICA, S.A.

[Amount and title of Instruments]

Series No: []

Serial Number of Instrument: []

Tranche No: []

Receipt for the sum of [] being the instalment of principal payable in accordance with the Terms and Conditions endorsed on the Instrument to which this Receipt appertains on [].

This Receipt is issued subject to and in accordance with the Terms and Conditions applicable to the Instrument to which this Receipt appertains which shall be binding on the Holder of this Receipt whether or not it is for the time being attached to such Instrument.

This Receipt must be presented for payment together with the Instrument to which it appertains in accordance with the Terms and Conditions.

This Receipt is not and shall not in any circumstances be deemed to be a document of title and if separated from the Instrument to which it appertains will not represent any obligation of the Issuer. Accordingly, the presentation of such Instrument without this Receipt or the presentation of this Receipt without such Instrument will not entitle the Holder to any payment in respect of the relevant instalment of principal.

If the Instrument to which this Receipt appertains shall have become due and payable before the due date for payment of the instalment of principal relating to this Receipt, this Receipt shall become void and no payment shall be made in respect of it.

**SCHEDULE 4
FORM OF REGISTERED INSTRUMENT**

Series Number: []

Serial Number: []

[Tranche Number: []]

[*Denomination*]

TELEFÓNICA EMISIONES, S.A.U.
(incorporated with limited liability under the laws of the Kingdom of Spain)
EUR 40,000,000,000
Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A.
[*Aggregate principal amount of Tranche*]
[*Title of Instruments*]

The Instruments are constituted by virtue of a public deed (*escritura pública*) of issuance dated [•] granted before the Notary of Madrid, [•], with number [•] of his/her protocol. Telefónica Emisiones, S.A.U. (the "**Issuer**"), with registered office at Gran Vía 28, 28013 Madrid, Spain, incorporated by a public deed executed on 29 November 2004 and registered with the Commercial Registry of Madrid under Tome 20,733, Book 0, Sheet 7, Section 8, Page M-36726, Registration 1 and with tax identification number A84175421, for value received promises, all in accordance with the [terms and conditions endorsed hereon/attached hereto (the "**Terms and Conditions**") [Terms and Conditions (as defined in the Issue and Paying Agency Agreement referred to below)] to pay to.....
..... of
.....
..... (being the person registered in the register referred to below or, if more than one person is so registered, the first-named of such persons) on the maturity date specified in the Terms and Conditions or on such earlier date as the same may become payable in accordance therewith, the Redemption Amount or, if this Instrument is an Instalment Instrument, such Instalment Amounts on such dates as may be specified in the Terms and Conditions or, if this Instrument shall become due and payable on any other date, the Redemption Amount and to pay interest and all other amounts as may be payable pursuant to the Terms and Conditions, all subject to and in accordance therewith.

The obligations of the Issuer in respect of this Instrument issued under the Programme are guaranteed pursuant to a deed of guarantee (the "**Guarantee**") dated 6 April 2022 given by Telefónica, S.A. (the "**Guarantor**").

Words and expressions defined in the Terms and Conditions shall have the same meanings when used on the face of this Instrument.

This Instrument is issued pursuant to an amended and restated Issue and Paying Agency Agreement (as supplemented, amended or replaced, the "**Issue and Paying Agency Agreement**") dated 6 April 2022 and made between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch in its capacity as Issue and Paying Agent (the "**Issue and Paying Agent**", which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), The Bank of New York Mellon, London Branch as principal registrar and certain other financial institutions named therein.

The statements set forth in the legend, if any, set forth above are an integral part of the terms of this Instrument, and by acceptance hereof each Holder of this Instrument agrees to be subject to and bound by the terms and provisions set forth in such legend, if any.

This Instrument is evidence of entitlement only. Title to the Instrument passes only on due registration in the Register maintained by the Registrar, and only the duly registered Holder or if more than one person is so registered, the first-named of such persons is entitled to payment in respect of this Instrument.

This Instrument shall not be valid for any purpose until this Instrument has been authenticated for and on behalf of the Registrar.

This Instrument and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

AS WITNESS the Issuer has caused this Registered Instrument to be executed by the facsimile or manual signature of a director or a duly authorised attorney on behalf of the Issuer.

TELEFÓNICA EMISIONES, S.A.U.

By:
[manual/facsimile signature]
(*director/duly authorised*)

ISSUED in [] as of [] 20[]

AUTHENTICATED for and on behalf of
THE BANK OF NEW YORK MELLON
as registrar without recourse, warranty or liability

By:
[manual signature]
(*duly authorised*)

FORM OF TRANSFER

FOR VALUE RECEIVED, being the registered Holder (or first named of joint Holders) of this Instrument, hereby transfers to of in principal amount of this Instrument and irrevocably requests and authorises the Registrar to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated:

By:	By:
....	(duly authorised)	(duly authorised)

Instruments:

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered Holder as it appears on the face of this Instrument.

- (i) A representative of such registered Holder should state the capacity in which he signs e.g. executor.*
- (ii) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered Holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.*
- (iii) Any transfer of this Instrument shall be in an amount equal to the minimum denomination as may be specified in the relevant Final Terms or an integral multiple thereof*

SCHEDULE 5
PROVISIONS FOR MEETINGS OF HOLDERS OF INSTRUMENTS

1. DEFINITIONS

In this Agreement and the Conditions, the following expressions have the following meanings:

"Block Voting Instruction" means, in relation to any Meeting, a document in the English language issued by a Paying Agent for Holders of Bearer Instruments and/or a document in the English language issued by the Registrar for Holders of Registered Instruments:

- (a) certifying that certain specified Instruments (the **"deposited Instruments"**) have been deposited with such Paying Agent or, as the case may be, the Registrar (or to the order of such Paying Agent or, as the case may be, the Registrar at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting; and
 - (ii) the surrender to such Paying Agent or the Registrar, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the deposited or blocked Instruments and notification thereof by such Paying Agent to the Issuer and the Guarantor;
- (b) certifying that the depositor of each deposited Instrument or a duly authorised person on its behalf has instructed the relevant Paying Agent or, as the case may be, the Registrar that the votes attributable to such deposited Instrument are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;
- (c) listing the total number and (if in definitive form) the certificate numbers of the deposited Instruments, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (d) authorising a named individual or individuals to vote in respect of the deposited Instruments in accordance with such instructions;

"Chairman" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 8 (*Chairman*);

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than three quarters of the votes cast;

"Form of Proxy" means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Holder of Registered Instruments or, in the case of a corporation, executed under its seal or signed on its behalf by a duly

authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Registered Instruments held by such Holder;

"Meeting" means a meeting of Holders of Instruments (whether originally convened or resumed following an adjournment);

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction by a Holder of a Bearer Instrument and/or a person appointed to vote under a Block Voting Instruction or a Form of Proxy by a Holder of a Registered Instrument, other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Issue and Paying Agent or, as the case may be, the Registrar, has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"Relevant Fraction" means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, one more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum it means:

- (i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Instruments represented or held by two or more persons being or representing Holders of Instruments actually present at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Instruments, to reduce the amount of principal or interest payable on any date in respect of the Instruments or to alter the method of calculating the amount of any payment in respect of the Instruments on redemption or maturity or the date for any such payment;

- (b) to effect the exchange or substitution of the Instruments for, or the conversion of the Instruments into, shares, bonds or other obligations or securities of the Issuer or the Guarantor or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Instruments are payable;
- (d) to modify any provision of the Guarantee of the Instruments;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition;

"Voter" means in relation to any Meeting: the bearer of a Voting Certificate or a Proxy, the bearer of a Definitive Instrument who produces such Definitive Instrument at the Meeting or subject to paragraph 5 (*Record Date*) below, a Holder of Registered Instruments, *provided however that* (subject to paragraph 5 (*Record Date*) below) any Holder of Registered Instruments which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a **"Voter"** except to the extent that such appointment has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

"Voting Certificate" means, in relation to any Meeting, a certificate in the English language issued by a Paying Agent for Holders of Bearer Instruments and dated in which it is stated:

- (a) that certain specified Instruments (the **"deposited Instruments"**) have been deposited with such Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting; and
 - (ii) the surrender of such certificate to such Paying Agent; and
- (b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the deposited Instruments;

"Written Resolution" means a resolution in writing signed by or on behalf of all holders of Instruments who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Instruments;

"24 hours" means a period of 24 hours including all or part of a day upon which banks are open for business in the places where the relevant Meeting is to be held and in respect of a Meeting of Holders of Bearer Instruments, each of the places where the Paying Agents have their Specified Offices and in respect of a Meeting of Holders of Registered Instruments, the place where the Registrar has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such

period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"48 hours" means 2 consecutive periods of 24 hours.

2. **ISSUE OF VOTING CERTIFICATES, FORMS OF PROXY AND BLOCK VOTING INSTRUCTIONS FOR MEETING OF HOLDERS OF BEARER INSTRUMENTS**

(a) The Holder of a Bearer Instrument may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Instrument with such Paying Agent or arranging for such Bearer Instrument to be (to its satisfaction) held to its order or under its control or blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate or Block Voting Instruction shall be valid until the release of the deposited Instruments to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the Holder of the Bearer Instruments to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Instrument.

(b) The registered Holder of a Registered Instrument may require the Registrar to issue a Block Voting Instruction by delivering to the Registrar written instructions not later than 48 hours before the time fixed for the relevant Meeting. Any registered Holder of a Registered Instrument may obtain an uncompleted and unexecuted Form of Proxy from the Registrar. A Block Voting Instruction shall be valid until the release of the deposited Instruments to which it relates. A Form of Proxy and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Instrument.

3. **REFERENCES TO DEPOSIT/RELEASE OF INSTRUMENTS**

Where Bearer Instruments are represented by a Global Instrument or are held in definitive form within a clearing system, references to the deposit, or release, of Instruments shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

4. **VALIDITY OF BLOCK VOTING INSTRUCTIONS AND FORMS OF PROXY**

A Block Voting Instruction shall be valid only if, in the case of a Bearer Instrument it is deposited at the Specified Office of the Issue and Paying Agent, and in the case of a Registered Instruments it is deposited at the Specified Office of the Registrar, or at some other place approved by the Issue and Paying Agent or, as the case may be, the Registrar, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. A Form of Proxy shall be valid only if it is deposited at the Specified Office of the Registrar, or at some other place approved by the Registrar, at least 24 hours before the time fixed for the

relevant Meeting or the Chairman decided otherwise before the Meeting proceeds to business. If the Issuer and Paying Agent or, as the case may be, the Registrar requires, a notarised copy of each Block Voting Instruction or, as the case may be, Form of Proxy and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Issuer and, as the case may be, the Registrar shall not be obliged to investigate the validity of any Block Voting Instruction or, as the case may be, Form of Proxy or the authority of any Proxy.

5. **RECORD DATE**

The Issuer may fix a record date for the purposes of any Meeting of Holders of Registered Instruments or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name an Instrument is registered in the Register on the record date at close of business in the city in which the Registrar has its Specified Office shall be deemed to be the Holder of such Instrument for the purposes of such Meeting of Holders of Registered Instruments and notwithstanding any subsequent transfer of such Instrument or entries in the Register.

6. **CONVENING OF MEETING**

The Issuer and the Guarantor (acting together) may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Holders of Instruments holding not less than one tenth of the aggregate principal amount of the outstanding Instruments.

7. **NOTICE**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Holders of Instruments and, in the case of a Meeting of Holders of Bearer Instruments, the Paying Agents and, in the case of a Meeting of Holders of Registered Instruments, the Registrar, (with a copy to the Issuer and the Guarantor). The notice shall set out the full text of any resolutions to be proposed and shall state that the Instruments may be deposited with, or to the order of, in the case of a Meeting of Holders of Bearer Instruments, any Paying Agent and, in the case of a Meeting of Holders of Registered Instruments, the Registrar, for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

8. **CHAIRMAN**

An individual (who may, but need not, be a Holders of Instruments) nominated in writing by the Issuer and the Guarantor (acting together) may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

9. **QUORUM**

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Instruments; *provided, however, that*, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Instruments is represented by a Global Instrument, a single Proxy representing the holder thereof shall be deemed to be two Voters for the purpose of forming a quorum.

10. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

- (a) in the case of a Meeting requested by Holders of Instruments, it shall be dissolved; and
- (b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines; *provided, however, that*:
 - (i) the Meeting shall be dissolved if the Issuer and the Guarantor (acting together) so decide; and
 - (ii) no Meeting may be adjourned more than once for want of a quorum.

11. **ADJOURNED MEETING**

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

12. **NOTICE FOLLOWING ADJOURNMENT**

Paragraph 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

13. **PARTICIPATION**

The following may attend and speak at a Meeting:

- (a) Voters;
- (b) representatives of the Issuer, the Guarantor, the Issue and Paying Agent and the Registrar;

- (c) the financial advisers of the Issuer and the Guarantor;
- (d) the legal counsel to the Issuer, the Guarantor, the Issue and Paying Agent and the Registrar; and
- (e) any other person approved by the Meeting.

14. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

15. **POLL**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Guarantor or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Instruments. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

16. **VOTES**

Every Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Instrument(s) represented or held by him by the unit of currency in which the Instruments are denominated.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

17. **VALIDITY OF VOTES BY PROXIES**

Any vote by a Proxy in accordance with the relevant Block Voting Instruction or, as the case may be, Form of Proxy shall be valid even if such Block Voting Instruction or, as the case may be, Form of Proxy or any instruction pursuant to which they were respectively given has been amended or revoked, *provided that*, in the case of a Proxy for a Holder of Bearer Instruments, the Issue and Paying Agent and in the case of a Proxy for a Holder of Registered Instruments, the Registrar, has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time

fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction or, as the case may be, Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction or, as the case may be, Form of Proxy to vote at the Meeting when it is resumed.

18. POWERS

A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

- (a) to approve any Reserved Matter;
- (b) to approve any proposal by the Issuer and the Guarantor (acting together) for any modification, abrogation, variation or compromise of any of the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Instruments;
- (c) to approve any proposal by the Guarantor for any modification of any provision of the Guarantee of the Instruments or any arrangement in respect of the obligations of the Guarantor thereunder;
- (d) to approve any proposal by the Issuer and the Guarantor (acting together) for any modification of any provision of the Deed of Covenant or the Deed of Guarantee insofar as it relates to the Deed of Covenant or any arrangement in respect of the obligations of the Issuer thereunder;
- (e) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Instruments and the Deed of Covenant or the substitution of any person for the Guarantor as guarantor under the Guarantee of the Instruments and the Deed of Covenant;
- (f) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Instruments or the Deed of Covenant, any proposed breach by the Guarantor of their obligations under the Guarantee of the Instruments or the Deed of Guarantee insofar as it relates to the Deed of Covenant or any act or omission which might otherwise constitute an event of default under the Instruments;
- (g) to authorise the Issue and Paying Agent or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (h) to give any other authorisation or approval which is required to be given by Extraordinary Resolution; and
- (i) to appoint any persons as a committee to represent the interests of the Holders of Instruments and to confer upon such committee any powers which the Holders of Instruments could themselves exercise by Extraordinary Resolution.

19. **EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS**

An Extraordinary Resolution shall be binding upon all Holders of Instruments and holders of Coupons and Talons whether or not present at such Meeting and each of the Holders of Instruments shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Holders of Instruments and the Paying Agents (with a copy to the Issuer and Guarantor) within 14 days of the conclusion of the Meeting.

20. **MINUTES**

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be prima facie evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

21. **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

SCHEDULE 6
REGULATIONS CONCERNING TRANSFER OF REGISTERED INSTRUMENTS
AND EXCHANGES OF BEARER INSTRUMENTS FOR REGISTERED
INSTRUMENTS

1. Each Registered Instrument shall be in a principal amount equal to the minimum denomination specified in the relevant Final Terms or an integral multiple thereof.
2. Registered Instruments are transferable in a principal amount equal to the minimum denomination specified in the relevant Final Terms or an integral multiple thereof by execution of the form of transfer endorsed thereon under the hand of the transferor or of a duly appointed attorney on its behalf or, where the transferor is a corporation, under its seal or signed on its behalf by its duly appointed attorney or a duly authorised officer or officers of the corporation. In this Schedule, "transferor" shall where the context permits or requires include joint transferors and be construed accordingly.
3. The Registered Instrument to be transferred must be delivered for registration to the specified office of the Registrar accompanied by such other evidence (including legal opinions) as the Registrar may reasonably require to prove the title of the transferor or his right to transfer the Registered Instrument and his identity and, if the form of transfer is executed by some other person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by an officer or officers or an attorney, the authority of that person or those persons to do so. The signature of the person effecting a transfer of a Registered Instrument shall conform to any list of duly authorised specimen signatures supplied by the registered Holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
4. No Holder of Instruments which has executed a Form of Proxy in relation to a Meeting of Holders of Registered Instruments may require the transfer of an Instrument covered by such Form of Proxy to be registered until the earlier of the conclusion of the Meeting and its adjournment for want of a quorum.
5. The executors or administrators of a deceased Holder of a Registered Instrument (not being one of several joint Holders) and, in the case of the death of one or more of joint Holders, the survivor or survivors of such joint Holders, shall be the only persons recognised by the Issuer and the Guarantor as having any title to such Registered Instruments.
6. Any person becoming entitled to Registered Instruments in consequence of the death or bankruptcy of the Holder of such Registered Instruments may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Registrar shall require (including legal opinions), be registered himself as the Holder of such Registered Instruments or, subject to the preceding paragraphs as to transfer, may transfer such Registered Instruments. The Issuer or, as the case may be, the Guarantor and the Registrar may retain any amount payable upon the Registered Instruments to which any person is so entitled until such person shall be so registered or shall duly transfer the Registered Instruments.
7. Unless otherwise requested by him and agreed by the Issuer, the Holder of Registered Instruments or the Holder of Bearer Instruments, the subject of a request for an exchange for Registered Instruments, shall be entitled to receive only one Registered

Instrument in respect of his holding or in respect of the Bearer Instruments, the subject of a particular request for an exchange.

8. The joint Holders of a Registered Instrument shall be entitled to one Registered Instrument only in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint Holder whose name appears first in the Register in respect of the joint holding.
9. Where there is more than one transferee (to hold other than as joint Holders), separate forms of transfer (obtainable from the specified office of the Registrar) must be completed in respect of each new holding.
10. Where a Holder of a Registered Instrument has transferred part only of his holding comprised therein there shall be delivered to him a Registered Instrument in respect of the balance of such holding.
11. The Issuer, the Guarantor, the Registrar and the Issue and Paying Agent shall, save in the case of the issue of replacement Registered Instruments, make no charge to the Holders for the registration of any holding of Registered Instruments or any transfer of Registered Instruments or in respect of any exchange of Bearer Instruments for Registered Instruments or for the issue of any Registered Instruments or for the delivery of Registered Instruments at the specified office of the Registrar.
12. Subject always to the Terms and Conditions, the Registrar will within three Relevant Banking Days of the transfer date or the exchange date applicable to a transfer of Registered Instruments or an exchange of Bearer Instruments for Registered Instruments make available at its specified office (or, at the option of the Holder requesting the exchange or transfer, mail (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder) a new Registered Instrument in respect of the Registered Instrument transferred or in respect of Bearer Instruments the subject of a request for an exchange for Registered Instruments. In the case of a transfer of part only of a Registered Instrument, a new Registered Instrument in respect of the balance of the Registered Instrument transferred will be so delivered to the transferor.

SCHEDULE 7
THE SPECIFIED OFFICES OF THE PAYING AGENTS, THE REGISTRARS AND
THE CALCULATIONS AGENT

The Issue and Paying Agent, Principal Registrar and Calculation Agent:

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

The other Paying Agents and Alternative Registrar:

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

SCHEDULE 8
CALCULATION AGENT APPOINTMENT LETTER

[On Letterhead of the Issuer]
[for use if the Calculation Agent is not a Dealer]

[Date]

[Name of Calculation Agent]
[Address]

TELEFÓNICA EMISIONES, S.A.U.
EUR 40,000,000,000 Programme for the Issuance of Debt Instruments
unconditionally and irrevocably guaranteed by
TELEFÓNICA, S.A. (the "Guarantor")

We refer to the amended and restated Issue and Paying Agency Agreement dated 6 April 2022 entered into in respect of the above Programme for the Issuance of Debt Instruments (such agreement, as modified or amended from time to time, the "**Issue and Paying Agency Agreement**") between ourselves as Issuer, the Guarantor, The Bank of New York Mellon, London Branch as Issue and Paying Agent and principal registrar and certain other financial institutions named therein, a copy of which has been supplied to you by us.

Words and expressions defined in the Issue and Paying Agency Agreement shall have the same meanings when used herein.

EITHER

[We hereby appoint you as Calculation Agent at your specified office detailed in the Confirmation as the agent of the Issuer and the Guarantor in relation to [specify relevant Series of Instruments] (the "**Instruments**") upon the terms of the Issue and Paying Agency Agreement for the purposes specified in the Issue and Paying Agency Agreement and in the Terms and Conditions and all matters incidental thereto.]¹³

OR

[We hereby appoint you as Calculation Agent at your specified office detailed in the Confirmation set out below as our agent in relation to each Series of Instruments in respect of which you are named as Calculation Agent in the relevant Final Terms upon the terms of the Issue and Paying Agency Agreement and (in relation to each such Series of Instruments) in the Terms and Conditions and all matters incidental thereto.]

[We hereby agree that, notwithstanding the provisions of the Issue and Paying Agency Agreement or the Terms and Conditions, your appointment as Calculation Agent may only be

¹³ The Appointment Letter may either be used to appoint an institution as Calculation Agent in respect of a particular Series of Instruments (first alternative wording) or in respect of more than one Series of Instruments (second alternative wording).

revoked in accordance with Clause 16.2 thereof if you have been negligent in the exercise of your obligations thereunder or have failed to exercise or perform your obligations thereunder].¹⁴

Please complete and return to us the Confirmation on the copy of this letter duly signed by an authorised signatory confirming your acceptance of this appointment.

[Consider whether it is appropriate to include contractual recognition of bail-in where there is an EU 27 bank party]

[Consider whether it is appropriate to include wording to address the US resolution stay rules if this agreement involves US GSIBs or their US and non US subsidiaries, branches and agencies of non-US GSIBs]

This letter and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with English law and the provisions of Clause 19 (*Law and Jurisdiction*) of the Issue and Paying Agency Agreement shall apply to this letter as if set out herein in full.

TELEFÓNICA EMISIONES, S.A.U.

TELEFÓNICA, S.A.

By:

.....

....

(Authorised Signatory)

By:

.....

....

(Authorised Signatory)

¹⁴ May be used when Calculation Agent is also a dealer in respect of a particular Series of Instruments.

SCHEDULE 9
PROCEDURES FOR COMPLIANCE WITH SPANISH TAX LEGISLATION

In relation to listed Instruments which are not initially issued in global form, the procedures will be specified in the relevant Final Terms. In particular, procedures relating to listed Registered Instruments will need to reflect the fact that payments of interest are made to holders of Instruments as of the Record Date (as defined in Condition 9B.03). Unlisted Instruments will not be issued under the Programme.

Information Procedures and Certification Obligations of the Issue and Paying Agent

1. *Delivery of the Payment Information Certificate:* In connection with each payment of income in respect of any series of Instruments, the Issue and Paying Agent shall deliver to each of the Issuer and the Guarantor by the close of business on the Business Day (as defined in the Terms and Conditions of the Instruments) immediately preceding the day on which such payment is made a duly completed and executed Payment Information Certificate substantially in the form set forth in Exhibit I hereto (*Form of Payment Information Certificate*). Such form may be delivered initially by email, in pdf form, or by fax, provided that the original is delivered by the end of the following month.

If the Payment Information Certificate is delivered by the Issue and Paying Agent in a timely manner to the Issuer and the Guarantor, the relevant income payment will be made free and clear of Spanish withholding tax.

The Issue and Paying Agent shall have no duty or responsibility to comply with Spanish tax laws arising out of this Agreement, and may request and rely conclusively upon any instructions from the Issuer and/or the Guarantor, as the case may be, in respect of any action necessary or required to be taken by the Issue and Paying Agent pursuant to this Schedule 9; *provided, however*, that in no event shall the Issue and Paying Agent be required to expend or risk its own funds in the performance of any of its duties pursuant to this Schedule 9, or be obligated to take any legal or other action which might in its judgment involve or cause it to incur any expense or liability unless it shall have been furnished with acceptable indemnification.

Each of the Issuer and the Guarantor agrees to instruct the Issue and Paying Agent in writing with respect to any certifications that may be required under Spanish law, and the Issue and Paying Agent acknowledges that this Schedule 9 shall constitute an instruction in this regard for each series of Instruments issued pursuant to the Programme, unless otherwise instructed in writing by the Issuer and/or the Guarantor.

2. *Failure to deliver the Payment Information Certificate:* In the event that the Issue and Paying Agent fails or for any reason is unable to deliver a timely, duly completed Payment Information Certificate as described above to the Issuer and the Guarantor in respect of a payment of income on a series of Instruments, the Issuer no later than 10 a.m (Central European Time) shall instruct the Issue and Paying Agent to withhold Spanish income tax from the relevant payment at the then-applicable rate (as at the date of this Agreement, 19%). In the absence of such instruction the Issue and Paying Agent shall pay the relevant payment free and clear of Spanish withholding tax.

3. If, after the relevant payment date but before the 10th day of the month immediately following the relevant payment date the Issue and Paying Agent provides the duly completed Payment Information Certificate to the Issuer and the Guarantor, then the Issuer shall instruct the Issue and Paying Agent to immediately transfer the relevant percentage withheld in respect of the relevant payment pursuant to paragraph 1 above by way of reimbursement of the amounts withheld on the relevant payment date and completion of the corresponding income payment in respect of the relevant series of Instruments.
4. If the Issue and Paying Agent fails or for any reason is unable to submit a duly completed and executed Payment Information Certificate to the Issuer and the Guarantor by the 10th day of the month immediately following the relevant payment date, the Issue and Paying Agent shall immediately return (but in any event no later than the 10th day of the month immediately following the relevant payment date) to the Issuer any remaining amount of the relevant percentage withheld in respect of the relevant payment, and Holders will have to apply directly to the Spanish tax authorities for any refund to which they may be entitled.

EXHIBIT 1

Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Annex to Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Don (nombre), con número de identificación fiscal (...)⁽¹⁾, en nombre y representación de (entidad declarante), con número de identificación fiscal (...)⁽¹⁾ y domicilio en (...) en calidad de (marcar la letra que proceda):

Mr. (name), with tax identification number (...)⁽¹⁾, in the name and on behalf of (entity), with tax identification number (...)⁽¹⁾ and address in (...) as (function - mark as applicable):

(a) Entidad Gestora del Mercado de Deuda Pública en Anotaciones.

(a) Management Entity of the Public Debt Market in book entry form.

(b) Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.

(b) Entity that manages the clearing and settlement system of securities resident in a foreign country.

(c) Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.

(c) Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

(d) Agente de pagos designado por el emisor.

(d) Issue and Paying Agent appointed by the issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

Makes the following statement, according to its own records:

1. En relación con los apartados 3 y 4 del artículo 44:

1. In relation to paragraphs 3 and 4 of Article 44:

1.1 Identificación de los valores.....

1.1 Identification of the securities.....

1.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

1.2 Income payment date (or refund if the securities are issued at discount or are segregated)

1.3 Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados).....

1.3 Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated)

1.4 Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora

1.4 Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved.....

1.5 Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).

1.5 Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).

2. En relación con el apartado 5 del artículo 44.

2. In relation to paragraph 5 of Article 44.

2.1 Identificación de los valores.....

2.1 Identification of the securities.....

2.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

2.2 Income payment date (or refund if the securities are issued at discount or are segregated)
.....

2.3 Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados

2.3 Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated)

2.4 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.

2.4 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A.

2.5 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.

2.5 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B.

2.6 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.

2.6 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C.

Lo que declaro ena dede

I declare the above in on the.... of of

⁽¹⁾En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia

⁽¹⁾In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

SCHEDULE 10
DUTIES UNDER THE ISSUER-ICSDS AGREEMENT

In relation to each Tranche of Instruments that are, or are to be, represented by an NGN Temporary Global Instrument or an NGN Permanent Global Instrument, the Issue and Paying Agent will comply with the following provisions:

1. *Initial issue outstanding amount:* The Issue and Paying Agent will inform each of the ICSDs, through the Common Service Provider appointed by the ICSDs to service the Instruments, of the initial issue outstanding amount (the "**IOA**") for such Tranche on or prior to the relevant Issue Date.
2. *Mark up or mark down:* If any event occurs that requires a mark up or mark down of the records which an ICSD holds for its customers to reflect such customers' interest in the Instruments, the Issue and Paying Agent will (to the extent known to it) promptly provide details of the amount of such mark up or mark down, together with a description of the event that requires it, to the ICSDs (through the Common Service Provider) to ensure that the IOA of the Instruments remains at all times accurate.
3. *Reconciliation of records:* The Issue and Paying Agent will at least once every month reconcile its record of the IOA of the Instruments with information received from the ICSDs (through the Common Service Provider) with respect to the IOA maintained by the ICSDs for the Instruments and will promptly inform the ICSDs (through the Common Service Provider) of any discrepancies.
4. *Resolution of discrepancies:* The Issue and Paying Agent will promptly assist the ICSDs (through the Common Service Provider) in resolving any discrepancy identified in the IOA of the Instruments.
5. *Details of payments:* The Issue and Paying Agent will promptly provide the ICSDs (through the Common Service Provider) details of all amounts paid by it under the Instruments (or, where the Instruments provide for delivery of assets other than cash, of the assets so delivered).
6. *Change of amount:* The Issue and Paying Agent will (to the extent known to it) promptly provide to the ICSDs (through the Common Service Provider) notice of any changes to the Instruments that will affect the amount of, or date for, any payment due under the Instruments.
7. *Notices to Instrumentholders:* The Issue and Paying Agent will (to the extent known to it) promptly provide to the ICSDs (through the Common Service Provider) copies of all information that is given to the holders of the Instruments.
8. *Communications from ICSDs:* The Issue and Paying Agent will promptly pass on to the Issuer all communications it receives from the ICSDs directly or through the Common Service Provider relating to the Instruments.
9. *Default:* The Issue and Paying Agent will (to the extent known to it) promptly notify the ICSDs (through the Common Service Provider) of any failure by the Issuer to make any payment or delivery due under the Instruments when due.

SIGNATURES

TELEFÓNICA EMISIONES, S.A.U.

By:



C. DAVID MAROTO

TELEFÓNICA, S.A.

By:



THE BANK OF NEW YORK MELLON
as Issue and Paying Agent,
Principal Registrar and
Calculation Agent

By:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH
as Paying Agent and as Alternative Registrar

By:

A handwritten signature in black ink, identical in style to the one above, with loops and a long horizontal stroke.