

Summary

Law 5/2015 of April the 27th, of business financing promotion.

The Law 5/2015 of April the 27th, of business financing promotion (hereinafter, the "Law") was published last 28 April 2015, in the Official Gazette, with the main purpose to promote direct access to capital markets for SMEs, so avoiding complete dependency on strictly traditional bank financing. This Law entered into force on April the 29th, excepting Title I, as mentioned below.

For such purpose, the Law meets several modifications on diverse fields, which include the information that banks entities must facilitate to SMEs and ruling "Crowdfunding" that has been translated into Spanish as "Plataformas de Financiación Participativas".

We have deemed the following modifications has the most remarkable and useful for SMEs:

Title I of the Law, referred to as "Improvement of bank financing to SMEs" set forth certain information duties for banks entities to fulfill:

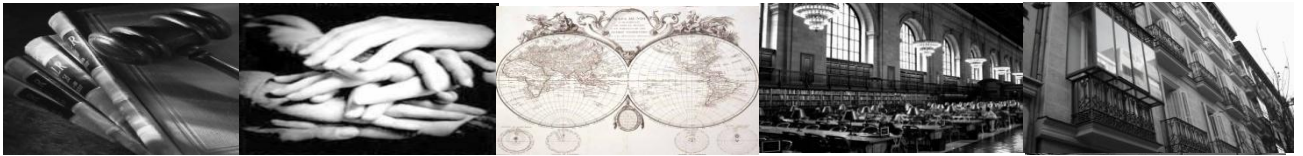
- In the event that a Bank Entities decides to terminate or reduce the financing flow provided to SMEs, shall provide with three-month prior notice to the date of termination.
- Additionally, a document referred to as "SME financial information" must be provided to SMEs, free of charge. Spanish National Bank will facilitate the template for said document, which will contain all

financial information that bank has gathered concerning the SME.

This measure will enter into force three months after the Spanish National Bank has published the "SME financial information" templates and the standardized reports evaluating SME credit quality.

Title IV of the Law, referred to as "Improvements in access and performance of capital markets" contains an important amendment to the Corporation Law.

- Limited liability companies are allowed to issue and guarantee bonds or securities. The Law establishes an indebtedness limitation for limited liability companies, being prohibited issuance of bonds or securities amounting more than the double of their Equity unless such issuance are guarantee by mortgage, pledge of shares, public guarantee or first demand guarantee granted by a bank entity.
- In any case, convertible bonds are expressly banned for limited liability companies.
- Corporations are allowed to issue bonds overseas. In such cases, Spanish law will govern the capability, competent bodies and conditions for the valid adoption of decision in connection with the bonds.

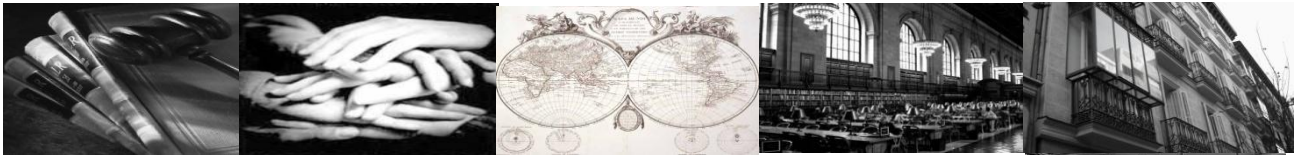


The corresponding Foreign Law will govern to the rights of the titleholders, their collective organization and to the regime of disbursement and amortization.

In General terms, according to the law's preamble, this regulation pursues to increase and easy the financing for SMEs by avoiding their dependency on traditional banking market.

We would like to remark the regulation affecting Crowdfunding. Regulation is organized under Title V of the Law.

- Crowdfunding regulation will be applied to any natural or legal person who intercedes in funds gathering, as long as the retributions consist of monetary income. As a result, crowd funding platforms that contemplate other kinds of retributions, such as donations or gifts, will not affected by this regulation.
- Entities that incur in the aforementioned activities will need prior authorization from the Spanish Stock Exchange Commission (CNMV) . The corporate name of "Plataforma de Financiación Participativa" or "PFP" shall be reserved for authorized entities only.
- Crowdfunding entities shall not be able to perform certain activities, such as financial advisement, which are currently reserved to investment service companies and credit institutions.
- There are certain requirements in connection with the financial capacity, solvency and honorability of administrators and manager of the entity, consisting with other types of intermediary companies into the financial market.



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