# COVERED BOND BASE PROSPECTUS 2019

**(according to Annex XIII of Regulation 809/2004)**

# 1,500,000,000 EUROS

## UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO

This Base Prospectus for non-equity securities has been recorded in the Registers of CNMV on 18 July 2019, and is supplemented by the Registration Document (drafted according to Annex IX of Regulation 809/2004, as amended by Commission Delegated Regulation no. 486/2012, of 30 March 2012 and by Commission Delegated Regulation no. 862/2012 of 4 June 2012), recorded at the CNMV on 18 July 2019 incorporated by reference.

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## I. RISK FACTORS

Below is an outline of the relevant aspects that may affect the valuation of the instruments issued under this Base Prospectus, which the investors will have to consider before opting to subscribe in each issue.

### 1.1. Market risk

The securities issued under the Base Prospectus will be subject to possible fluctuations in price on the market depending largely on the evolution of interest rates and the maturity of the investment.

The securities issued under the Base Prospectus, once admitted to trading, may be traded at different prices to the initial issue price, either higher or lower, depending on the interest rates in force on the financial markets and general economic conditions.

### 1.2. Credit risk

Risk that the Issuer will not be able to repay the nominal value of the securities on the maturity date or that there is a delay in the same. The fundamental criterion used to assess the solvency of an Issuer tends to be its capacity to generate profit in the future and, as a result, the capacity to honour its payment obligations.

Notwithstanding the above, in accordance with article 14 of Act 2/1981 on mortgage market regulation (the "**Mortgage Market Act**"), in the event of insolvency of the Issuer, the holders of the Covered Bonds, would be creditors with special preference in accordance with article 1923.3 of the Civil Code, over any other creditors, in relation to all mortgage loans and credits recorded in favour of the Issuer, except those that serve as collateral to mortgage bonds (*bonos hipotecarios*), mortgage participations (*participaciones hipotecarias*) and mortgage certificates (*certificados de transmisión de hipoteca*) and, if they exist, by substitution assets that are suitable to serve as collateral and by the flows generated by the derivative financial instruments linked to each issue, which will enjoy the special privilege established in article 90.1.1º of Act 22/2009, of 9 July, on Insolvency (*Ley 22/2003 de 9 de julio, Concursal*) (the "**Insolvency Act**").

On the registration date of this Base Prospectus, the Issuer has not issued mortgage bonds. Moreover, as of 30 June 2019 the portfolio of the Issuer which does not serve as cover in favour of mortgage participations (*participaciones hipotecarias*) or mortgage certificates (*certificados de transmission de hipoteca*) amounts up to 4,377,661,475.88 Euros (46,8% of the Issuer's current total client's portfolio). For further details, please refer to the Issuer's Registration Document.

### 1.3. Variations in the credit quality of the Issuer

Issues made under the Base Prospectus will be backed by a full asset guarantee from the Issuer.

At the registration date of the Base Prospectus, the Issuer has the following credit ratings issued by the agencies indicated below:

| Rating Agency | Short-term rating | Long-term rating | Date | Outlook |
|---|---|---|---|---|
| **DBRS Ratings Limited** | R-1 (low) | A (low) | March 2019 | Stable |

| | | | | |
|---|---|---|---|---|
| **Fitch Ratings España, S.A.U.** | F2 | BBB | January 2019 | Stable |

The rating agencies mentioned have been registered with the European Securities and Markets Authority ("**ESMA**") in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

Nevertheless, there is no guarantee that the above ratings granted by the credit risk rating agencies will be maintained throughout the term of the Base Prospectus.

The risk of variations in the credit quality of the Issuer by the rating agencies is due to the possibility of the credit rating being reviewed by the credit agency at any time, upward or downward, or being suspended or even withdrawn.

A downgrade, suspension or withdrawal of the credit rating by a rating agency could make it difficult for UCI to access international debt markets and affect its wholesale funding capacity. In addition, a downgrade of the entity's credit rating could entail the appearance of new contractual obligations linked to UCI's rating.

### 1.4. Lack of liquidity of the securities on the market

The securities issued under the Base Prospectus will be newly issued securities which may not be very widely distributed and for which there is currently no active trading market (except in the case of some particular issue which may be fungible with a previous issue). Given that for the securities issued under this Base Prospectus a request for admission to trading on the relevant market is to be made, it is not possible to ensure that there will be an active trading on the market. Moreover, neither is it possible to ensure the development or liquidity of the trading markets for each particular issue.

### 1.5. Early redemption risk

The Issuer may proceed with the early redemption of the Covered Bonds, during the lifetime of the relevant issue, in case of crossing the limit (and in the amount exceeding such limit) established in the applicable regulations at any given time (currently the established volume of covered bonds, issued by the entity and not having matured, cannot exceed 80% of the outstanding capital of all mortgage loans and credits in its portfolio that are eligible in accordance with the terms of Section II of the Mortgage Market Act and Chapter II of Royal Decree 716/2009 which implements certain aspects of the Mortgage Market Act and other regulations of the mortgage and financing system in Spain (the "**Royal Decree 716/2009**"), excluding the full amount of any loan or credit attached to mortgage bonds and the relevant portion of those that were the object of mortgage participations.

In relation to the early redemption of the Covered Bonds, the provisions set forth in Section 4.9 of this programme shall apply.

## II. SECURITIES NOTE

### 1. PERSONS RESPONSIBLE

### 1.1. Persons responsible for the information of the Base Prospectus

Mr. Philippe Jacques Laporte, acting in its capacity as Chief Financial Officer, by virtue of the resolution adopted by the Board of Directors at its meeting held on 29 March 2019, and for and on behalf of UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO ("**UCI**", the "**Company**" or the "**Issuer**"), with registered office at C/ Retama 3, Madrid 28045, assumes responsibility for the information given in this Base Prospectus, which complies with Annex XIII of Commission Regulation No. 809/2004, of 29 April 2004, implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (as amended from time to time).

### 1.2. Declaration by those responsible for the Base Prospectus

Mr. Philippe Jacques Laporte, having taken all reasonable care to ensure that such is the case, declares that the information contained in the Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### 2. RISK FACTORS

The specific risk factors of the securities are those described in Section I of this Base Prospectus, called "RISK FACTORS".

### 3. ESSENTIAL INFORMATION

### 3.1. Interest of natural and legal persons participating in the issue

The natural and legal persons involved in this issue have no particular interests that may be material to the issue nor for the purposes of this Base Prospectus.

### 4. INFORMATION ON THE SECURITIES TO BE OFFERED / ADMITTED TO TRADING

### 4.1. Total value of the securities being admitted to trading

The maximum nominal amount to be issued under this Base Prospectus will be ONE THOUSAND FIVE HUNDRED MILLION EUROS (€1,500,000,000). The nominal amount and number of securities to be issued will not be set in advance and will depend on the nominal amount of the individual securities of each of the issues made under the Base Prospectus and the total nominal amount of each of such individual issues, as these will appear in the Final Terms.

UCI may make issues of securities that are considered fungible. In that case, the Final Terms will specify the corresponding characteristics.

The nominal unity value of the covered bonds ("*Cédulas Hipotecarias*") to be issued under this Base Prospects will be at least one hundred thousand euros (€100,000) and the nominal unity value of the covered bonds will be specified in each issuance according to its Final Terms. The covered bonds will be destined for foreign and domestic institutional investors.

## 4.2. Description of the type and the class of the securities offered and/or admitted to trading, including the ISIN (internal security identification number) or other such security identification code

Covered bonds may be issued under the Base Prospectus. The sum of the nominal value of the different issues made under the Base Prospectus will not exceed ONE THOUSAND FIVE HUNDRED MILLION EUROS (€1,500,000,000).

On the occasion of each of the particular issues made under the Base Prospectus, the Issuer will publish Final Terms using the form included in **Schedule I** of the Base Prospectus setting out the particular terms and conditions of the issue.

Depending on the type of market (regulated or unregulated) where the covered bonds are listed or unlisted, the Final Terms shall be deposit with the following entities:

a) provided that the covered bonds are intended for listing in AIAF Fixed Income Market ("**AIAF**"), (i) an original of each Final Terms will be deposited at the CNMV and AIAF for its admission to listing and (ii) at CNMV and Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores ("**Iberclear**") for the purposes of registration as book-entries;

b) provided that the covered bonds are intended for listing in Spanish Alternative Fixed Income Market ("**MARF**"), (i) an original of each Final Conditions will be deposited at MARF for its admission to listing and (ii) at CNMV and Iberclear for the purposes of registration as book-entries;

c) provided that the covered bonds are intended for listing in any other unregulated market, an original of each Final Conditions as may be required by such market will be deposited at such unregulated market's governing body for its admission to listing and (ii) at CNMV and Iberclear for the purposes of registration as book-entries.

For the purposes of this section 4.2 of the Securities Note, the Final Conditions referred to in the paragraphs (b) and (c) immediately above shall substantially contain the terms and conditions included in the Final Terms attached as Schedule I to the present document except its initial paragraph a) which shall be expressly left out.

The Final Terms or the Final Conditions, as the case may be, of each particular issue will be published on the website of UCI, AIAF, MARF or the relevant unregulated market and on the CNMV website, as applicable.

The Covered Bonds are securities that represent a debt for the Issuer, accrue interest and are repayable by early redemption or maturity. These securities are issued with the guarantee of a portfolio of loans and credits that at any given time are recorded with a real estate mortgage guarantee by the Issuer in accordance with the legislation in force and are not attached to mortgage bonds or mortgage participations, notwithstanding the universal financial liability of the Issuer and, if they exist, by replacement assets that are suitable to serve as collateral and by the flows generated by the derivative financial instruments linked to each issue. Securities may be issued at par value or for a higher amount or a lower amount, according to what is established in the corresponding Final Terms, and there will be no negative yield in any event.

The securities are not covered by the Deposit Guarantee Fund.

Each and every one of the securities issued under this Base Prospectus will be personally and universally guaranteed by the Issuer, who will be liable for full and timely payment of any amount in relation to the issues made with its entire wealth.

The information on the ISIN (International Securities Identification Number), or other internationally used codes, for each of the issues made under the Base Prospectus will appear in the Final Terms of the corresponding issue.

Where so stipulated in the terms and conditions of the securities issued, the Final Terms of the issues under the Base Prospectus or the Securities Notes corresponding to issues made not subject to this Base Prospectus and where appropriate in view of the legal nature and regime of the securities, securities of the same kind may be considered fungible with each other or with others of a subsequent issue. To that end and on the occasion of the release of a new issue of securities that are fungible with one or more prior securities issues of the same kind, the respective Final Terms or Securities Note will state the relationship with the earlier issues with which the new one is fungible.

In the case of fungibles issues, the holders of the original issue will not have priority as creditors in the ranking over the holders of the fungible issue, with whom they will have the same right, in the event of a voluntary winding-up or insolvency or the Issuer and the same obligations as the holders of the original issue (same nominal unit value, same coupon payment, same maturity date).

## 4.3. Legislation under which the securities were created

The securities will be issued in accordance with the Spanish legislation applicable to them and the Issuer.

In particular, they will be issued in accordance with:

- Royal Decree-law 4/2015 of 23 October approving the restated text of the Spanish Securities Market Act (*Real Decreto Legislativo 4/2015 de 23 de octubre*) (the "**Securities Market Act**") and any other implementing rules.
- Royal Decree 1310/2005, of 4 November, partially implementing Law 24/1988 of 28 July on the Stock Market as regards the admission to negotiation of securities on official secondary markets, public offers of sale or subscription and the prospectus required for such purposes;
- Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**") and its implementing regulations,
- Act 2/1981 on mortgage market regulation (the "**Mortgage Market Act**"); and
- Royal Decree 716/2009 which implements certain aspects of the Mortgage Market Act and other regulations of the mortgage and financing system in Spain (the "**Royal Decree 716/2009**").

This Base Prospectus has been drafted using the models envisaged in Regulation 809/2004, of 29 April 2004, implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (as amended from time to time).

**4.4. Indication of whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry ("*anotaciones en cuenta")* form. In the latter case, name and address of the entity in charge of keeping the records.**

The different classes of issues under this Base Prospectus will be represented by book entries ("*anotaciones en cuenta")* in accordance with the Spanish Companies Act and Royal Decree 878/2015 of 2 October on the registration, clearing and settlement and registration of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market (the "**Royal Decree 878/2015**").

The Covered Bonds may be unlisted or listed on AIAF, MARF or any other regulated or unregulated market.

In this case, the entity responsible for keeping the book-entry records and settlement and clearance, will be Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A., Unipersonal (Iberclear), with registered office at, Plaza de la Lealtad, 1, Madrid and its participant entities.

**4.5. Currency of the securities issue**

The issues will be in euros.

**4.6. Ranking of the securities being offered and/or admitted to trading, including summaries of any clauses that are intended to affect ranking or subordinate the security to any present or future liabilities of the issuer.**

The capital and the interest of the issues of Covered Bonds are specially guaranteed, without the need for registry recording, by a mortgage over all of those that were recorded in favour of the Issuer at any time and are not attached to mortgage bonds or mortgage participations, notwithstanding the universal financial liability of the Issuer and, if they exist, by replacement assets that are suitable to serve as cover and by the flows generated by the derivative financial instruments linked to each issue, in accordance with the terms of the Mortgage Market Act, Royal Decree 716/2009 of 24 April, which implements certain aspects of the Mortgage Market Act, notwithstanding the financial liability of the same.

The Issuer of the Covered Bonds will keep special accounting records of the loans and credits that serve as a guarantee of the issues of Covered Bonds and, if they exist, of the replacement assets, as well as of the flows generated by the derivative financial instruments linked to each issue. These special accounting records will also identify, for the purpose of calculating the limit established in article 16 of the Mortgage Market Act and mentioned below, for all the loans and credits recorded, those that comply with the legally required conditions. Title XI of the Spanish Companies Act will not apply to the bond issues.

The mortgage loans and credits that cover the issues of Covered Bonds will be guaranteed by a first mortgage over the freehold. The registrations of the mortgaged properties linked to the loans that are to cover the issues of Covered Bonds will be valid and unconditional and not subject to any restrictions due to first registration or derived from registrations carried out pursuant to article 5 of the Mortgage Market Act.

The secured loans that serve as cover for the Covered Bonds will not exceed the limits established in the Mortgage Market Act. The volume of Covered Bonds issued by the Issuer will not exceed 80% of the amount of unpaid capital of the mortgage loans and credits in the portfolio, that meet the requirements of the current wording of Section II of the Mortgage Market Act, after deducting the full amount of any loan or credit attached to mortgage bonds or mortgage participations. The Covered Bonds may be backed up to a limit of 5% of the principal issued by replacement assets eligible to serve as cover.

In accordance with article 14 of the Mortgage Market Act, the Covered Bonds include the credit right of the holder vis-à-vis the Issuer and also entail enforcement to claim payment from the Issuer, after maturity. The holders of the Covered Bonds will be creditors with a special preference, in accordance with paragraph 3 of article 1923 of the Civil Code, with regard to any other creditors, in relation to all mortgage loans and credits recorded in favour of the Issuer, except for those that serve as cover for mortgage bonds or mortgage participations, and in relation to the replacement assets and economic flows generated by the derivative financial instruments linked to the issues, if there are any. All bondholders, regardless of the date of issue, will rank pari passu in relation to the loans and credits that secure them and, if applicable, over the replacement assets and economic flows generated by the derivative financial instruments linked to the issues.

In the event of the insolvency of the Issuer, the holders of Covered Bonds will have a special privilege to receive payment on the Issuer's mortgage credits except for those attached to the los mortgage bonds or mortgage participations, in accordance with article 90.1.1 of the Insolvency Act.

The above notwithstanding, during the insolvency, in accordance with article 84.2.7 and the nineteenth Final Provision of the Insolvency Act as well as article 14 of the Mortgage Market Act, payments corresponding to the repayment of capital and interest on the Covered Bonds issued and pending redemption at the date of the application for insolvency will be treated as credits against the insolvency assets up to the amount of income received by the insolvent entity from the mortgage loans and credits and, if they exist, the replacement assets and economic flows generated by the derivative financial instruments linked to the issues.

In the event that, due to a temporary imbalance, the income received by the insolvent entity is insufficient to cover the payments mentioned in the foregoing paragraph, the insolvency receivers will pay them by liquidating the replacement assets linked to the issue and, if this is insufficient, will carry out financing operations in order to comply with the mandate for payment of the bondholders, with the lender subrogating into the position of the same. In the event that the procedure indicated in article 155.3 of the Insolvency Act is to be followed, payment to all holders of bonds issued by the Issuer will be on a pro rata basis, regardless of the date of issue of the instruments. If the same credit is attached to the payment of covered bonds and a mortgage bond issue, the holders of the mortgage bonds will be paid first.

## 4.7. Description of the rights, including any limitations of these, attached to the securities and procedure for the exercise of said rights

Pursuant to the legislation in force, investors acquiring the securities will not have any present and/or future political right over the Issuer.

The economic and financial rights for the investor associated with the acquisition and holding of the same will be those derived from the conditions of the rate of interest, yield and redemption prices with which they are issued, which are set out in sections 4.8, 4.9 and 4.10 below and specified in the Final Terms published on the occasion of the issue of securities made under the Base Prospectus.

The financial servicing of the debt will be carried out by the entity acting as Paying Agent for each of the issues carried out. In the case of issues of securities whose accounting records are kept by Iberclear, the financial servicing of the payment of interest and yields will be via an Iberclear participant entity, in accordance with the terms of the regulations on book-entries to be indicated in the corresponding Final Terms.

Although there is no legal obligation to establish a syndicate for the Covered Bonds, the Issuer may resolve to establish a syndicate of holders of Covered Bonds following a procedure that is similar to that established for bonds and obligations in the Spanish Companies Act, according to the terms of section 4.11 below, in which case the holders of Covered Bonds will have a voting right at the relevant meeting. The Final Terms will state the existence of the syndicate, as the case may be.

## 4.8. The nominal interest rate and provisions relating to interest payable

### *4.8.1. Nominal interest rate*

The yield of the Covered Bonds to be issued may be determined, for each issue, in the manners set out below and in those cases in which it is mandatory, UCI will obtain the corresponding prior administrative authorisation:

A. By means of fixed interest rate payable periodically.

B. By means of a variable interest rate, that may be determined by reference to a market benchmark interest rate or to the market reference of other fixed-income assets, whether directly or with the addition of a positive or negative margin, such margin being determined as a fixed or variable margin, by reference in turn to a benchmark interest rate on the market.

   In those cases in which a benchmark interest rate (as it is defined by EU Regulation 2016/1011 ("**Benchmark Regulation**")) is used to calculate the interest rate, in the Final Terms will be set out whether the benchmark interest rate is provided by a registered administrator in the corresponding registry as set out in the Benchmark Regulation.

   In the event that the nominal interest rate is negative, the holders of the Covered Bonds, given the legal nature of the same, will not be obliged to make any payment.

The Final Terms of each issue will specify how the resulting interest rate for each accrual period will be announced.

The issues may generate their yields by means of the payment of periodic coupons (fixed or valuable according to a specific market reference).

The prices, values or levels of the rates will be published, after setting the yield for the corresponding term and in accordance with the legislation in force, in the Official Journals of the Stock Exchanges or secondary markets where the securities are traded and/or in a nationally-distributed newspaper and/or on the notice boards of the Issuer's office network. The Final Terms will specify this aspect for each issue.

The gross interest to be received on each of the interest payment dates will be calculated by means of the application of the following basic formulas:

$$C = \frac{N \cdot i \cdot d}{Base \cdot 100}$$

where:

C = Gross amount of the periodic coupon

N = Nominal of the security

i = Nominal rate of interest per annum

d = Days elapsed since the start date of the interest accrual period and the payment date of the corresponding coupon, these days being calculated in accordance with the Base established and taking into account the applicable business days' convention.

Base = Calculation base used for each issue, indicating the number of days into which the year is divided for the purpose of the calculation of interest on an annual basis.

*4.8.2. Provisions relating to interest payable*

The gross amount of the coupons will be calculated according to the formula set out in the foregoing section.

The payment settlement and liquidation will be via Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de los valores (Iberclear), with registered office at Plaza de la Lealtad, 1 Madrid.

*4.8.3. Interest accrual*

The dates, place, entities and procedures for the payment of coupons on the securities in the issues carried out under this Base Prospectus, when appropriate, will be specified in the Final Terms of each issue, and will be subject to the following general terms and conditions:

- The interest will accrue as of the issue Disbursement Date, or that which is specifically established to that end, and will be paid, with the frequency determined in each case, on the same day of the following month, during the entire lifetime of the issue, all in accordance with the terms contained in the Final Terms. The last coupon will be paid upon the maturity of the issue.

- The calculation base for the interest accrued and liquidated will be determined in the Final Terms.

- The corresponding Final Terms will specify the business days' convention that will be designated to determine the interest payment dates, choosing between: the Floating Rate Convention, the Following Business Day Convention, the Modified Following Business Day Convention, the Preceding Business Day Convention, the No Adjustment Convention or any other specified therein.

In this regard, the following conditions will apply:

- "**Floating Rate Convention**", the convention used to adjust a date which should fall on that which numerically corresponds with respect to a reference date, when: (a) the numerically corresponding day does not exist in the corresponding month, in which case such date will be the last day which is a Business Day in that month; (b) the numerically corresponding day does not fall on a Business Day, in which case such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; or (c) the reference date fell on the last Business Day of the month, in which case all subsequent such dates will be the last day which is a Business Day in the calendar month;

- "**Following Business Day Convention**", means that the relevant date shall be postponed to the first following day that is a Business Day;

- "**Modified Following Business Day Convention**", means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

- "**Preceding Business Day Convention**", means that the relevant date shall be brought forward to the first preceding day that is a Business Day; and

- "**No Adjustment Convention**", means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

The possible calculation bases for the accrual of interest can be Act/Act, Act/Act (ICMA), Actual/Actual (SDA), Actual/365 (fixed), Act/360, Act/365, 30/360, 30E/360 Eurobond Basis, 30E/360 (ISDA) and will be specified in the Final Terms corresponding to the issue in question.

In this regard, the following definitions will apply:

- "**Act/Act**" calculation base: all months and years are counted on the basis of the actual number of calendar days in the calculation period divided by 365 (or, if any part of the calculation period falls in a leap year, the sum of (a) the actual number of days in that part of the calculation period falling in a leap year divided by 366 and (b) the actual number of days in that part of the calculation period falling in a non-leap year divided by 365);

- "**Act/Act (ICMA)**" calculation base: the number of days of each year is calculated in accordance with the definition in Rule 251 of the status, rules and recommendations of the International Capital Market Association – ICMA;

- "**Actual/Actual (ISDA)**" calculation base: the number of days accrued is the same as the number of days running from the effective date and the termination date. The calculation is the sum of days accrued in a non-leap year divided by 365 and the days accrued in a leap year divided by 366.

- "**Actual/365 (fixed)**" calculation base: the number of days accrued is equal to the number of days between the effective date and the termination date. The calculation is the number of days accrued divided by 365.

- "**Act/360**" calculation basis: all months are counted on the basis of the actual number of calendar days and the years as if they had 360 days;

- "**Act/365**" calculation basis: all months are counted on the basis of the actual number of calendar days and the years as if they had 365 days; and

- "**30/360**" calculation basis: all months are counted as if they had 30 days and the years as if they had 360 days. The calculation will be according to the following formula:

  Calculation base for interest accrual =

  [360 x (Y2 - Y1)] + [30 x (M2 - M1)] + (D2 - D1) / 360

  Where:

  "Y1" is the first year in which a calculation period is set;

  "Y2" is the year corresponding to the day immediately after the last day of the calculation period;

  "M1" is the first month in which an interest payment period is set;

  "M2" is the month corresponding to the day immediately after the last day of the calculation period;

  "D1" is the first calendar day of the calculation period, unless that day is the $31^{st}$, in which case D1 will be the $30^{th}$; and

  "D2" is the calendar day immediately after the last day of the calculation period, unless that day is the $31^{st}$ and D1 is later than the $29^{th}$, in which case D2 will be the $30^{th}$.

- "**30E/360 Eurobond Basis**" calculation base: calculation basis: all months are counted as if they had 30 days and the years as if they had 360 days. The calculation will be according to the following formula:

  Calculation base for interest accrual =

  [360 x (Y2 - Y1)] + [30 x (M2 - M1)] + (D2 - D1)/360

  Where:

  "Y1" is the first year in which a calculation period is set;

  "Y2" is the year corresponding to the day immediately after the last day of the calculation period;

  "M1" is the first month in which a calculation period is set;

  "M2" is the month corresponding to the day immediately after the last day of the calculation period;

"D1" is the first calendar day of the calculation period, unless that day is the 31st, in which case D1 will be the 30th; and

"D2" is the calendar day immediately after the last day of the calculation period, unless that day is the 31st and D1 is later than the 29th, in which case D2 will be the 30th.

- "**30E/360 (ISDA)**" calculation base: all months are counted as if they had 30 days and the years as if they had 360 days. The calculation will be according to the following formula:

  Calculation base for interest accrual =

  [360 x (Y2 - Y1)] + [30 x (M2 - M1)] + (D2 - D1)/360

  Where:

  "Y1" is the first year in which a calculation period is set;

  "Y2" is the year corresponding to the day immediately after the last day of the calculation period;

  "M1" is the first month in which a calculation period is set;

  "M2" is the month corresponding to the day immediately after the last day of the calculation period;

  "D1" is the first calendar day of the calculation period, unless (i) that day is the last day of February or (ii) that day is the 31st when in either of scenarios (i) and (ii) D1 will be the 30th; and

  "D2" is the calendar day immediately after the last day of the calculation period, unless (i) that day is the last day of February and does not coincide with the maturity date or (ii) that day is the 31st when in either of scenarios (i) and (ii) D2 will be the 30th.

*4.8.4. Time limit on the validity of claims to interest and repayment of principal.*

According to article 22 Royal Decree 716/2009 and pursuant to the terms of article 950 of the Spanish commercial code, the redemption of the Covered Bonds, and the payment of interest and premiums, will cease to be enforceable three years after their respective maturities.

*4.8.5. Statement setting out the rate of underlying*

As specified in section 4.8.1 B) above, the variable interest rate, may be determined by reference to a market benchmark interest rate or to the market reference of other fixed-income assets, whether directly or with the addition of a positive or negative margin, such margin being determined as a fixed or variable margin, by reference in turn to a benchmark interest rate on the market.

*4.8.6. Description of the underlying on which it is based*

The description of the underlying on which it is based is included in Section 4.8.1 above.

*4.8.7. Description of the method used to relate the underlying and the rate*

The description of the method used to relate the underlying and the rate is included in Section 4.8.1 above.

### *4.8.8. Description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying*

With the subscription of the Covered Bonds, the holders of such Covered Bonds give their express consent to the application of the provisions set forth in this Section 4.8.8.

In the event that the relevant market benchmark interest rate or the relevant market reference of other fixed-income assets (the "**Reference Rate**") is impossible to be obtained for any reason, the rate for any relevant period will be the arithmetic mean (rounded to four decimal places with the mid-point rounded upwards) of the rates communicated to the Calculation Agent at its request by each of the Reference Banks as the rate at which euro deposits in respect of the relevant period in a representative amount are offered by the Reference Bank to leading banks in the eurozone interbank market at or about 11.00 a.m. (Madrid time) on the date on which the applicable interest rate shall be set.

"**Reference Banks**" means the three major banks in the Eurozone inter-bank market selected by the Calculation Agent from time to time and, if any such bank is unable or unwilling to continue to act, such other bank as may be appointed by the Calculation Agent on behalf of the Fund to act in its place.

If, at the relevant time, the Reference Rate is unavailable and only two of the Reference Banks provide such quoted rate to the Calculation Agent, the relevant rate will be determined on the basis of the quoted rate of that two Reference Banks able to provide such quotations.

If, on the contrary, at the relevant time, the Reference Rate is unavailable and only one or none of the Reference Banks provides the Calculation Agent with such a quoted rate, the rate will be the rate in effect for the immediately preceding interest period.

On the first date on which the applicable interest rate shall be set, if the Reference Rate is not published in accordance with the provisions of paragraphs above, the rate applied will be the rate published on the last Business Day on which such Reference Rate was published.

### *4.8.9. Calculation Agent*

In the issues to be carried out under the Base Prospectus, a Calculation Agent may be designated, which will be a financial institution or investment company, and which will perform at least the functions set out below by signing the corresponding calculation agency agreement.

The Final Terms will specify the identity of the Calculation Agent, its registered office or the relevant domicile for the purposes of the Calculation Agency agreement.

The Calculation Agent will assume the functions corresponding to the calculation, determination and valuation of the economic rights that correspond to the holders of the securities of the issue in question, in accordance with the terms and conditions of each issue and the general terms and conditions of the Base Prospectus. In doing so, the Calculation Agent:

a) will calculate or determine the rates of interest or prices, pursuant to the terms of the Final Terms.

b) will determine the yield of the securities resulting from application of the settlement formulas envisaged, if applicable, on the corresponding interest payment or redemption dates.

The Calculation Agent will always act as an independent expert and its calculations and determinations will be binding, both for UCI and for the holders of securities under the issue.

Nonetheless, if the calculation carried out is discovered to contain an error or omission, the Calculation Agent will remedy it within the maximum term of five (5) business days as of when the error or omission becomes known.

The Issuer reserves the right to replace the Calculation Agent when it considers it convenient.

In the event that the Calculation Agent waives acting or cannot perform the calculations, UCI, in its capacity as Issuer, will appoint a new entity as Calculation Agent within a maximum term of fifteen (15) business days, as of notification of the waiver of the previous Calculation Agent, notifying the CNMV, MARF, AIAF or any other relevant market, as applicable of the appointment. In any event, the waiver or replacement of the Calculation Agent will only be effective until the acceptance of the designation and entry into force of the functions of a new replacement Calculation Agent and that circumstance has been notified as a relevant event to the CNMV, MARF, AIAF or any other relevant market, as applicable and the governing body of the corresponding secondary market.

The Issuer will notify the security holders, at least five business days in advance, of any replacement or change affecting the Calculation Agent.

The Calculation Agent will act exclusively as Agent of the Issuer and will not assume any agency or representation obligation with regard to the security holders.

## 4.9. Maturity date and arrangements for the amortisation

The data on the redemption of the securities of the issues made under the Base Prospectus, will be duly specified in the Final Terms according to the following general rules:

### 4.9.1. *Maturity date*

The issues of Covered Bonds may have a maximum maturity of up to 30 years and the particular maturity of each issue of Covered Bonds shall be determined in the Final Terms. However, the Issuer may at its option redeem in advance the Covered Bonds if so established in the Final Terms, upon the terms set forth therein.

### 4.9.2. *Modalities of amortisation*

The Covered Bonds may be early repaid by the Issuer, if so foreseen in the Final Terms of the relevant issuance. If applicable, the Final Terms will provide the early redemption events and the conditions applicable to the early redemption of the Covered Bonds.

According to the current terms of the Mortgage Market Act, the Issuer will not issue Covered Bonds for an amount exceeding 80 per cent of the unpaid capital of the mortgage loans and credits of its portfolio that meet the requirements established in the law, after deducting the amount of the loans or credits attached to mortgage bonds or mortgage participations. The Covered Bonds may be backed up to a limit of 5 per cent of the principal issued by the replacement assets. The Issuer is obliged not to exceed the percentages established by the Mortgage Market Act at any time. If, due to the repayment of the loans or credits, the amount of the Covered Bonds issued exceeds the limits established in the Mortgage Market Act, the Issuer may acquire its own Covered Bonds until the proportion is re-established. If it is opted to redeem the Covered Bonds, it will be done in the manner envisaged in the law, paying the corresponding amount to the bondholders.

In the event of early redemptions of Covered Bonds, this will be announced to the CNMV, MARF, AIAF or any other relevant market, as applicable, the Governing Body of the secondary market on which the securities are admitted to trading, to the entity responsible for the registration of the securities and the holders of the same, the latter, exclusively at the discretion of the Issuer and in accordance with the legislation in force, by publishing the corresponding announcement in the Official Trading Journals of the secondary markets on which the securities are traded or in a national newspaper or on the noticeboards of the Issuer's network of offices.

In the event of early redemption, and provided there is an explicit coupon, the Issuer will pay the investor the corresponding amount of accrued interest, as well as the principal amount.

**4.10. Indication of yield.**

*Effective interest envisaged for the subscriber.*

The effective interest envisaged for the subscriber of each issue will be specified in the Final Terms of the corresponding issue, and will be that resulting from applying the particular conditions of each issue.

For all issues made under the Base Prospectus, the internal rate of return for the subscriber will be calculated using the following formula:

$$P_0 = \sum_{j=1}^{n} \frac{F_j}{\left(1+\left(\frac{i}{100}\right)\right)^{\frac{d}{Base}}}$$

where:

$P_0$ = Security Issue Price

$F_j$ = Flows of gross payments made and received during the lifetime of the security

i = Effective Annual Yield or IRR

d = Number of days from the start date for accrual of the corresponding coupon and its payment date

n = Number of flows of the issue

Base = Base for calculating the applicable interest according to what is set out in the Final Terms.

**4.11. Representation of the security holders.**

Although not legally mandatory for the covered bonds, when so decided in the issue and disseminated via the Final Terms, a syndicate of Bondholders will be created, as the case may be.

The basic rules governing the legal relations between the company and the syndicate, if so decided for each issue as set out in the Final Terms shall be the following:

**SYNDICATE OF BONDHOLDERS**

**TITLE ONE**

Article 1.- OBJECT.

The object of the syndicate will be the defence of the legitimate interests of the Bondholders vis-à-vis the Issuer, by exercising the rights granted by law and these Regulations, to use and conserve them collectively and under the representation determined by these rules.

Article 2.- ADDRESS.

The address of the Syndicate is in the address specify in the Final Terms. The General Meeting may, however, meet elsewhere in Madrid, as convenient, specifying as much in the corresponding announcement.

Article 3.- DURATION.

The Syndicate will exist until the Bondholders' rights in terms of principal, interest or any other concept, have been satisfied in full. The Syndicate will be automatically dissolved when all these requirements are met.

**TITLE TWO**

**SYNDICATE REGIME**

Article 4.- REGIME.

The Syndicate will be governed by the Meeting and the Commissioner.

**TITLE THREE**

**THE GENERAL MEETING**

Article 5.- LEGAL NATURE

The General Meeting, duly called and constituted, is the body that expresses the will of the Syndicate and its resolutions, adopted in accordance with these Regulations, which will be binding on all Bondholders in the manner established by law.

Article 6.- ENTITLEMENT TO CALL A MEETING

The General Meeting will be called by the Board of Directors of UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO or by the Commissioner, where deemed appropriate. Nonetheless, the Commissioner will call a meeting when requested in writing and stating the object of the meeting, by Bondholders representing at least one twentieth of the Bonds issued and not redeemed. In this case, the Meeting will be called to be held within thirty days following the date on which the Commissioner received the request.

Article 7.- FORM OF THE ANNOUNCEMENT

The announcement of the General Meeting will be made (i) by an announcement published in one of the most widely distributed newspapers in the province of Madrid and while the Bonds are admitted to trading on regulated or unregulated market and such market so requires, by publication on its website; (ii) by post, or by email, to Iberclear; in each case, fifteen (15) days prior to the date envisaged for the meeting.

The terms of this article notwithstanding, the Meeting will be deemed called and duly constituted to address any issue, provided all the Bonds in circulation are present and those attending unanimously agree to hold the Meeting.

Article 8.- RIGHT OF ATTENDANCE

Those persons holding at least one unredeemed security, registered in their name in the corresponding book-entry registry at least five days in advance of the date set for the meeting will be entitled to attend. The Directors of UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO will be entitled to attend the Meeting, even if they have not been called, but will under no circumstances represent bondholders.

The Commissioner or the Issuer may approve the attendance of any experts and advisors they deem necessary. The Commissioner will attend the General Meeting of Bondholders, even if not called.

Article 9.- RIGHT OF REPRESENTATION

All Bondholders entitled to attend the Meeting may be represented at the same by a third party, who may or may not be a Bondholder. However, they cannot be represented by director of the company, even if they are Bondholders. Representation must be granted in writing and specifically for each Meeting.

Article 10.- ADOPTION OF RESOLUTIONS

The resolutions will be adopted by an absolute majority of the votes issued. Exceptionally, modifications to the term or conditions of repayment of the nominal value will require a favourable vote of two thirds of the bonds in circulation.

Resolutions adopted in the manner envisaged in this article will be binding on all Bondholders, including those who do not attend and dissenting Bondholders.

Article 11.- PRESIDENCY OF THE MEETING

The General Meeting will be chaired by the Commissioner who will direct the debates, close discussions when he/she considers it convenient and establish those matters that are to be put to a vote, as the case may be.

Article 12.- HOLDING OF MEETINGS

Meetings will be held in Madrid, in the venue and on the dates stated in the announcement.

Article 13.- LIST OF ATTENDANCE

The Commissioner shall form the attendance list before addressing the Agenda, stating the nature or representation of each one and the number of own or third-party bonds with which they are attending, giving a total number of bondholders present or represented as well as the total number of Covered Bonds in circulation.

Article 14.- VOTING RIGHTS

Each of the bonds will grant Bondholders a voting right that is proportional to the outstanding nominal balance of the bonds they hold.

Article 15.- POWERS OF THE GENERAL MEETING

The General Meeting may adopt the resolutions necessary to best defend the legitimate interests of the Bondholders vis-à-vis the Issuer, amend, in agreement with the Issuer and, after obtaining the corresponding official authorisation, if necessary, the terms and conditions established in the issue and adopt resolutions on other matters of similar importance; remove and appoint the Commissioner; exercise, when appropriate, the corresponding judicial actions and approve the expenses arising from the defence of shared interests.

Article 16.- CHALLENGING RESOLUTIONS

The resolutions of the Meeting may be challenged by the Bondholders in accordance with the Spanish Companies Act.

Article 17.- MINUTES

The minutes of the meeting may be approved by the General Meeting itself, after it has been held, or, failing that, within a term of fifteen days following the date it was held, by the Commissioner and two Bondholders designated for that purpose by the General Meeting.

Article 18.- CERTIFICATES

Certificates of the book of minutes will be issued by the Commissioner.

## TITLE FOUR

## THE COMMISSIONER

Article 19.- FIELD OF COMPETENCE OF THE COMMISSIONER

The Commissioner, notwithstanding the powers envisaged in article 21 below, will be the legal representative of the Syndicate and act as the liaison Body between it and the Issuer.

Article 20.- APPOINTMENT AND MANDATE

The Commissioner will be appointed by the Company once the issue has been agreed and will perform his/her duties unless replaced by the Meeting.

Article 21.- FACULTIES

The following are the faculties of the Commissioner:

- Safeguard the common interest of the Bondholders.
- Call and act as chairman of the General Meetings.
- Inform the Issuer of the resolutions of the Syndicate.

- Ask the Issuer for reports that, in his/her opinion or that of the Meeting, the Bondholders should have.
- Control payment of interest and principal.
- Enforce the resolutions of the General Meeting.
- To exercise the actions against the Issuer, the directors or liquidators and against the guarantors of the issue.
- Accept, on behalf of the Bondholders, any guarantees, including any security, granted in their favour and sign any other documents, public or private, related to such guarantees that may result necessary.
- In general, the ones granted to him by Law and the present Regulations.

Article 22.- RESPONSIBILITY

The Commissioner will be liable to the Bondholders and, if applicable, the Company, for any harm caused by the acts carried out in the performance if his/her duties without the professional diligence expected of him/her.

**TITLE FIVE**

**GENERAL PROVISIONS**

Article 23.- EXPENSES OF THE SYNDICATE

The normal expenses derived from the maintenance of the Syndicate will be borne by UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO although they will at no time exceed two per cent of the gross annual interest accrued by the Bonds issued.

Article 24.- ACCOUNTS

The Commissioner will keep the accounts of the Syndicate and submit them for the approval of the General Meeting and the Board of Directors of UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO

Article 25.- LIQUIDATION OF THE SYNDICATE

Once the Syndicate has been dissolved due to any of the reasons established in article 3, the Commissioner holding the position at the time will continue to perform his/her duties for the liquidation of the same and will provide the final accounts of the Syndicate to the last Meeting and the Board of Directors of UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO

Article 26.- FORUM

In relation to any matters derived from these Regulations, the Bondholders, in their capacity as such, expressly waive their own forum and submit to the jurisdiction of the Courts and Tribunals of Madrid.

Article 27.- ADDITIONAL

Any other matters not expressly envisaged in these rules will be governed by the legislation on the area in question.

The appointment of the Commissioner and any other relevant details will be determined in the Final Terms of each issue.

### 4.12. Statement of the resolutions, authorisations and approvals by virtue of which the securities have been created and/or issued.

The resolutions of the Board of Directors of UCI at its meeting held on 17 June 2019 approved the establishment of a Base Prospectus of the 2019 Covered Bond Issue Programme and the issues thereunder. This resolution may be complemented for each particular issue as established in its corresponding Final Terms.

### 4.13. Issue date of the securities

The Final Terms of the issue will established the dates envisaged for the issue of the securities.

### 4.14. Description of any restrictions on the free transferability of the securities

There are no restrictions on the free circulation of Covered Bonds, pursuant to the Mortgage Market Act and Royal Decree 716/2009, meaning they can be transferred without the need for the intervention of a notary public, according to the terms of article 37 of Royal Decree 716/2009. In accordance with article 39 of Royal Decree 716/2009, the volume of own mortgage instruments that the Issuer may hold in portfolio, in the case of issues distributed among the general public, without a limit on permanence, will not exceed 50% of each issue.

## 5. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

### 5.1. Indication of the market where the securities will be traded and for which prospectus has been published

UCI will apply for admission to trading for the securities to be issued under this Base Prospectus on the relevant market so that the effective admission to trading is obtained within a maximum of 30 days as of the applicable Disbursement Date.

The covered bonds may be unlisted or listed on AIAF, MARF or any other regulated or unregulated market as per specified in the corresponding Final Terms of each issue.

In the event this term is not complied with, the Issuer will inform the CNMV of the causes of the same or publish them in the relevant market of admission, notwithstanding any liabilities incurred as a result if the cause of the non-compliance with the term is attributable to the Issuer.

The Issuer states that it is aware of the requirements and conditions required for the admission, permanence and exclusion of securities on AIAF and MARF, according to the legislation in force, as well as the requirements of its Managing Bodies, and agrees to comply with them.

### 5.2. Name and address of any paying agents and depository agents in each country.

Payment of coupons and principal on the issues under the Base Prospectus will be carried out by the Paying Agent to be determined in the Final Terms of the issue and that will necessarily have the capacity to carry out these functions in relation to the market where the securities are to be admitted to trading.

## 6. EXPENSE OF THE ADMISSION TO TRADING

**Estimate of the total expenses related to the admission to trading**

The Base Prospectus registration expenses will be the following:

| Item | Amount in Euros |
|---|---|
| CNMV fees (this fee shall not apply if any Notes Series are issued and listed in a regulated market within 6 months from the registration of this Base Prospectus) | 5,100.50 |
| AIAF fees | 27,500 |

Any expenses related to the admission to trading of each particular issue will be specified in its corresponding Final Terms.

## 7. ADDITIONAL INFORMATION

### 7.1. Persons and entities advising on the issue

Not applicable.

### 7.2. Information of the Securities Note revised by the auditors

Not applicable.

### 7.3. Other information supplied by third parties

Not applicable.

### 7.4. Validity of the information supplied by third parties

Not applicable.

### 7.5. Ratings

On the registration date of the Base Prospectus, the Issuer has been assigned the following ratings by the credit risk rating agencies:

| Rating Agency | Short-term rating | Long-term rating | Date | Outlook |
|---|---|---|---|---|
| **DBRS Ratings Limited** | R-1 (low) | A (low) | March 2019 | Stable |
| **Fitch Ratings España, S.A.U.** | F2 | BBB | January 2019 | Stable |

The securities issued under this Base Prospectus may be assigned a rating or may be unrated as specified in the relevant Final Terms. If rated, the credit ratings (definitive or provisional) that are received by the securities issued under this Base Prospectus, will be included in the Final Terms on said issue.

The Final Terms will specify if the rating agencies mentioned have been registered with the European Securities and Markets Authority (ESMA) in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

## 8. DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference, are not included as attached documents, and can be accessed from the website of UCI (https://www.uci.es/):

- Audit report and consolidated annual accounts for the 2017 financial year: https://www.uci.com/documentacion/annual_report_UCI17.pdf

- Audit report and consolidated annual accounts for the 2018 financial year: https://www.uci.com/ucicomfiles/titulizaciones/informes_anuales/UCI%20Annual%20Report%202018.pdf

- Registration Document of UCI published on or about the date hereof: https://www.uci.com/inversores_login.aspx

In witness whereof and in approval of the content of the Base Prospectus, signed in Madrid on 18 July 2019

**UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO**

Mr. Philippe Jacques Laporte

Chief Financial Officer

## SCHEDULE I

## STANDARD FORM OF FINAL TERMS

## FINAL TERMS

*[Name of the ISSUE]*

**Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito**

***[Total volume of the issue]***

**Issued under the Base Prospectus of Issue of Covered Bonds 2019 of Unión de Créditos Inmobiliarios, S.A. E.F.C., registered with the Spanish Securities Market Commission on [•] [•] 2019**

Please note:

a) the "Final Terms" have been drafted for the purposes of the terms of article 5, section 4, of Directive 2003/71/EC and should be read in relation to the Base Prospectus[1] and any supplement(s) published thereto[2];

b) the base prospectus and its supplement or supplements[2] are published on the website of UCI (www.uci.es) and on the CNMV website (www.cnmv.es), in accordance with the terms of article 14 of Directive 2003/71/EC;

c) in order to obtain all the information, the Base Prospectus should be read in conjunction with the Final Terms;

The securities described in these "Final Terms" are issued by Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito, with registered office in C/ Retama 3, Madrid 28045 (Spain) and tax identification number A39025515 (the "**Issuer**").

### 1. DESCRIPTION, CLASS AND CHARACTERISTICS OF THE SECURITIES ISSUED

*SPECIFIC TERMS AND CONDITIONS OF THE ISSUE (See general terms and conditions of the type of security issued in the Base Prospectus)*

1.1. Issuer: Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito

1.2. Nature and denomination of the securities:

- [Covered Bonds – if applicable, series or tranche of the issue]
- [ISIN Code / or other internationally used codes]
- [If the issue is fungible with a previous one or may be fungible with a future one, please indicate]
- [If the issue of covered bonds has replacement assets or derivative financial instruments linked to the issue, please indicate]

1.3. Nominal and effective amount of the issue:

[1] The Base Prospectus incorporates by reference the UCI Registration Document, registered at the CNMV on [•] [•] 2019.

[2] At the date of these Final Terms, [*no supplements to the Base Prospectus have been published / the following supplements to the Base Prospectus have been published [•]*]. *[Please delete or complete as appropriate.]*

- Nominal: [•]

- Effective: [•]

1.4. Nominal and effective amount of the securities / number of securities:

- Unit nominal: [•]

- Issue Price: [•] %

- Initial Effective: [•] per security

- Number of securities: [•]

1.5. Date of issue and disbursement: [•] [•] 20[•]

1.6. Maturity date: [•]

1.7. Fixed interest rate: [N.A./[•%] payable [annually/half-yearly/ quarterly/other]

- Calculation base for the accrual of interest: [•]

- Business day convention: [•]

- Start date of interest accrual: [•]

- Irregular Amounts: [*Indicate dates and irregular amounts, as the case may be*]

- Coupon payment dates: [•]

1.8. Variable interest rate: [N/A./ [EURIBOR / LIBOR / other], +/- [•]% payable [annually/half-yearly/ quarterly/other]

The amounts to be paid under the cover bonds will be calculated by reference to [EURIBOR / LIBOR / other], which is provided by [*insert identification of the benchmark interest rate provider*] which [is/ is not] registered in the benchmark interest providers registry established by the European Securities and Markets Authority (ESMA) as per article 36 of the EU Regulation 2016/1011 ("**Benchmark Regulation**").

[Under the best Issuer's knowledge, [*include benchmark interest rate*] [it is not under the scope of the Benchmark Regulation / the transitional provisions as per article 51 of Benchmark Regulation are applicable] and [*insert identification of the benchmark interest rate provider*] is not currently obliged to obtain said authorization or registration (or, if based outside the European Union, the recognition, validation or equivalent manifestation)].

- Name and description of the [benchmark] interest rate: [•]

- Calculation formula: [•]

- Applicable margin: [•]

- Applicable interest rate determination dates: [•]

- Specifications for rounding: [•] (including number of decimals)

- Procedure for publication of the setting of new interest rates: [•]

- Calculation base for the accrual of interest: [•]

- Business day convention: [•]

- Start date for interest accrual: [ [•] [•] 20[•]]

- Coupon payment dates: [•]

- Irregular Amounts: [Indicate dates and irregular amounts, as the case may be]

- Minimum rate: [N/A/[•]%]

- Maximum rate: [N/A/[•]%]

1.9. Early redemption of the securities in favour of the Issuer: [Yes / No]

- Redemption amount(s): (Total/Partial - % of nominal and/or nominal value to be redeemed in euros)

- Early redemption date: [[•] [•] 20[•]]

- Early redemption price: [100% of nominal]

1.10. IRR for the holder of the Securities: [•] (*include calculation hypotheses when yields are not pre-established*)

**RATING**

1.11. Rating of the Issue: [*Yes/No*] [*If applicable, specify the rating*]

The rating agencies mentioned [*have been/ have not been*] registered with the European Securities and Markets Authority ("**ESMA**") in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

**AGENTS**

1.12. Calculation Agent: [•]

1.13. Paying Agent: [Name and Address]

1.14. Relevant calendar for the payment of the flows established in the issue: [TARGET2 / Other]

**ADDITIONAL INFORMATION**

1.15. Issue expenses:

Commissions: [•]% for each entity on the total amount placed.

CNMV, MARF/AIAF, Iberclear expenses: [•]

Other expenses: [•]

Total issue expenses: [•]

1.16. Country in which the admission to trading is requested: [Spain, MARF/AIAF] / [•]

1.17. Country(ies) where the offer(s) to the public takes place: [Not applicable / The offer was addressed to qualified investors and, in particular, to [credit institutions / investment services companies / insurance companies, collective investment institutions and their management companies / pension funds and their management companies, other authorised or regulated financial entities / others.]

**INFORMATION ON THE UNDERLYING PORTFOLIO OF THE MORTGAGE COVERED BONDS OF THE LAST TWO FINANCIAL YEARS***

| Concept | [Year -1] | [Year -2] |
|---|---|---|
| Total Mortgage Loan Portfolio | | |
| Eligible Mortgage Loan Portfolio | | |
| % of Eligible Portfolio / Total Mortgage Loan Portfolio | | |
| Outstanding Mortgage Covered Bonds Issued | | |
| % of Issued Mortgage Covered Bonds / Eligible Portfolio | | |

* In case there is quarterly or semi-annual information available it shall also be included.

## 2. RESOLUTIONS ON THE ISSUE OF THE SECURITIES AND ESTABLISHMENT OF THE SYNDICATE OF BONDHOLDERS

The resolutions and agreements by virtue of which this issue is carried out, and which are fully valid on the date of these Final Terms, are those set out below:

- *Resolution of the Ordinary General Meeting dated ** *** 2019.*
- *Resolution of the Board of Directors dated ** *** 2019.*
- *[OTHERS]*

[no Syndicate of Bondholders has been created for this Issue.] [In accordance with section 4.11 of the Base Prospectus under which this issue of securities is taking place, a Syndicate of Bondholders is hereby created called "[*Indicate description of the issue*] Syndicate of Bondholders", according to the following rules.

*[Indicate description of the issue]*

**SYNDICATE OF BONDHOLDERS**

[Create a syndicate of all the holders of the bonds of the [*Indicate description of the issue*] issue, which will be governed by its regulations, by Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**"), and failing that, by the provisions of the Civil Code.]

[Address of the syndicate as per article 2 of the rules governing the syndicate of bondholders.]

**Moreover, Mr/Ms [•], of legal age, with address for these purposes at, calle [•], having national identity document no. [•] is appointed Commissioner of the syndicate of bondholders and has accepted such appointment**.

UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO

Mr/Ms

(Position)

COMMISSIONER OF THE SYNDICATE OF BONDHOLDERS

Mr./Ms.