

REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE

2014

Bankia

Contents

1. Introduction	1
1.1. Formation and Composition	1
1.2. Responsibilities	2
1.3. Functioning and Attendance	5
2. Report on Activities	7
2.1. Financial Reporting	7
2.2. External Audit Activity	8
2.3. Internal Audit Activity	10
2.4. Regulatory Compliance Activity	10
2.5. Related Party Transactions	11
2.6. Corporate Governance	13
2.7. Other Activities	14

1. INTRODUCTION

1.1. FORMATION AND COMPOSITION

Article 529 terdecies of the Corporations Act (Ley de Sociedades de Capital) establishes that public companies must create, at the minimum, an Audit Committee, the composition, functioning and responsibilities of which are regulated in Article 529 quaterdecies.

The Bankia Audit and Compliance Committee was formed on 16 June 2011 by resolution of the Company's Board of Directors. Its rules of procedure, composition, responsibilities and powers are regulated in article 46 of the Bylaws, as developed in article 14 of the Board of Directors Regulations. The Bylaws and the Board of Directors Regulations were amended on two occasions in 2014: in February 2014, in order to make certain technical improvements and adapt them to the Code of Good Corporate Governance approved by the National Securities Market Commission (CNMV); and in October 2014, to take account of the provisions of Act 10/2014 of 26 June on the ordering, supervision and solvency of credit institutions.

As a result of the changes in its regulation, Bankia's Audit and Compliance Committee came to be made up of *"no fewer than three (3) and no more than five (5) members, all of them non-executive directors and a majority, independent"* (article 46 of the Bylaws). In any event, the number of members of the Committee will be determined directly by express resolution, or indirectly by the filling of vacancies or appointment of new members within the established maximum.

According to the Bylaws and the Board of Directors Regulations, the members of the Audit and Compliance Committee will be appointed by the Board of Directors based on their knowledge, abilities and experience in accounting, auditing or risk management and the responsibilities of the Committee, and the Committee will be chaired by an independent director who, moreover, must have knowledge, abilities and experience in accounting, auditing or risk management.

The chairman of the Audit and Compliance Committee shall be replaced every four years and may be re-elected after the passage of one year from the end of his preceding term.

During 2014, Bankia's Audit and Compliance Committee was made up of the following four directors:

AUDIT AND COMPLIANCE COMMITTEE ⁽¹⁾			
DIRECTOR	OFFICE	STATUS	APPOINTMENT DATE
Mr. Alfredo Lafita Pardo	Chairman	Independent	08-06-2012
Mr. Joaquín Ayuso García	Member	Independent	24-07-2013
Mr. Jorge Cosmen Menéndez-Castañedo	Member	Independent	01-06-2012
Mr. José Luis Feito Higuera	Member	Independent	01-06-2012

Non-Director Secretary: Mr. Miguel Crespo Rodríguez

No member of the Audit and Compliance Committee performs executive duties in the company and all of them are classified as independent directors. Furthermore, all members of the Committee are professionals who have the requisite knowledge, abilities and experience in accounting, auditing and risk management.

1.2. RESPONSIBILITIES

The responsibilities of the Audit and Compliance Committee are set out in article 46 of the Bylaws and article 14 of the Board of Directors Regulations.

According to article 14 of the Board of Directors Regulations, without prejudice to other tasks assigned to it by the Board of Directors, the Audit and Compliance Committee will have all the functions assigned to it by applicable legislation (in particular, banking laws and regulations), specifically including, without limitation, the following basic responsibilities:

- a) Report through its Chairman or secretary to the General Meeting of Shareholders on any matters raised by shareholders that fall within its area of responsibility.
- b) Supervise the effectiveness of the Company's internal controls, internal auditing (where applicable) and systems for managing risks (including tax risks) and discuss with the external auditors or audit firms any material weaknesses of the internal control system that may have been detected in the audit. In particular, in relation to internal reporting and control systems:
 - verify the appropriateness and integrity of internal control systems and review the appointment and replacement of those responsible for them;
 - follow and supervise the preparation and integrity of the financial information regarding the Company and, where appropriate, the Group, reviewing compliance with regulatory requirements and the proper application of accounting principles;

¹ The professional profile of the members of the Audit and Compliance Committee may be consulted on the Bankia website: www.bankia.com

- periodically review the internal control and risk management systems, so that the principal risks are properly identified, managed and disclosed;
 - safeguard the independence and effectiveness of the internal audit and regulatory compliance functions; make proposals for the selection, appointment and removal of the head of the internal audit functions; review the annual work plan; propose the budget for the internal audit and regulatory compliance functions; receive periodic financial information on their activities; and verify that senior management is acting on the findings and recommendations in their reports. In particular, the internal audit function will respond to information requests received from the audit and compliance committee in the exercise of its duties;
 - establish and supervise a mechanism whereby staff can confidentially report any irregularities with potentially serious implications they may detect within the Company, in particular, financial or accounting irregularities, promoting compliance with the Code of Ethics and Conduct approved by the Company; and
 - establish and supervise a system for preventing and detecting crimes that could result in criminal liability for the Company.
- c) Oversee the process for preparing and submitting regulated financial information, in particular:
- report to the board of directors, in advance, on the financial information the Company must publish periodically;
 - review the company's accounts to ensure compliance with legal requirements and proper application of generally accepted accounting principles and report on proposals for changes to accounting standards and principles put forward by management; and
 - review the issue prospectuses and the periodic financial information, if any, that the Board of Directors is required to provide to the markets and market supervisory bodies.
- d) Propose to the Board of Directors, for submission to the General Meeting, the appointment of the external auditors, referring to the Board any proposals for the selection, appointment, re-election or replacement of the auditors and the terms and conditions of their engagement.
- e) Establish the necessary relations with the external auditors in order to receive, for examination by the Committee, information on any matter that might put the auditors' independence at risk and any other matter relating to the audit process, and maintain the other communications provided for in audit law and auditing standards. In particular:
- act as a channel of communication between the Board of Directors and the external auditors, assess the results of each audit and the response of the management team to the auditors'

recommendations and act as mediator in any disagreements between the management team and the auditors over the principles and criteria to be applied in preparing the financial statements;

- receive regular reports from the external auditor on the audit plan and its execution and ensure that senior management take the auditor's recommendations into account;
- supervise compliance with the audit contract, with the aim of ensuring that the opinion on the annual accounts and the principal content of the auditor's report are drafted clearly and accurately;
- ensure the independence of the external auditor and, to that end:
 - maintain relations with the external auditor in order to receive information on any matter that might put the auditor's independence at risk and any other matter relating to the audit process, and maintain any other communications with the external auditor provided for in audit law and auditing standards;
 - ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence; and
 - in the event of resignation of the external auditor, investigate the reasons for the resignation.

In any case, the Committee must receive from the auditors, each year, written confirmation of their independence from the Company and any parties directly or indirectly related to the Company, as well as information on any additional services of any kind provided to such parties by the auditors or persons or entities related to them, in accordance with the provisions of Legislative Royal Decree 1/2011 of 1 July, enacting the recast Audit Act.

- f) Issue each year, prior to the issue of the auditors' report, a report expressing an opinion on the independence of the auditors or audit firms. This report must address the provision of any additional services referred to in the preceding section.
- g) Assess compliance with the Board of Directors Regulations, the anti-money laundering and anti-terrorist financing manuals and procedures, and the Company's governance and compliance rules in general, and make the necessary proposals for their improvement. In particular, the Audit and Compliance Committee must receive information and, where necessary, issue reports on any disciplinary action taken against directors or senior managers of the Company.
- h) Supervise compliance with the Company's Internal Code of Conduct in Securities Markets, the anti-money laundering manuals and procedures, and the Company's governance and compliance rules in general, and make the necessary proposals for their improvement. In particular, the Committee must receive information and, where necessary, issue reports on any disciplinary action taken against members of senior management.

- i) Report to the Board of Directors on the creation of, or the acquisition of holdings in, special purpose vehicles or entities domiciled in countries or territories classified as tax havens, and any other transactions or operations of a comparable nature the complexity of which could impair the transparency of the Group.
- j) Report to the Board of Directors, in advance, on all matters within its remit provided for in law, the Bylaws or the Board of Directors Regulations.

In addition, the Audit and Compliance Committee will report to the Board of Directors on related party transactions before the Board adopts decisions on such transactions, unless that prior reporting function has been given to another supervision and control committee.

For better performance of its duties, the Audit and Compliance Committee may seek the advice of outside professionals on matters within its area of responsibility. The Committee will also prepare an annual report on its actions, highlighting the principal incidents, if any, that have arisen in respect of matters that fall within its area of responsibility.

1.3. FUNCTIONING AND ATTENDANCE

Pursuant to Article 14 of the Board of Directors Regulations, the Audit and Compliance Committee shall:

- meet as often as called by resolution of the Committee itself or its Chairman, and at least four (4) times per year.
- be quorate with the attendance, in person or by proxy, of at least half of its members; and adopt its resolutions by majority of those in attendance at the meeting, in person or by proxy. In the event of a tie, the Chairman will have a casting vote.
- The members of the Committee may extend proxies to other members.
- Any member of the management team or employee of the Company who is requested to do so must attend the Committee meetings, cooperate with the Committee and provide access to any information they may have. The Committee also may require the attendance of the external auditor.
- Committee resolutions shall be recorded in a minutes book, which will be signed for each meeting by the Chairman and the Secretary.

In the period from 1 January to 31 December 2014, the Audit and Compliance Committee held a total of 16 meetings, 96.8% of which were attended by the Committee members (in person or by proxy).

The meetings are regularly attended by the Corporate Head of Internal Audit, the Corporate Comptroller and the Chief Compliance Officer of Bankia to report on questions that fall within their functional area of responsibility, provided their presence has been requested. The external auditors, as part of their duty to report to the Committee, attended all the meetings at which their presence was requested; in total, they attended six meetings, either to report on their activities or to hear the financial information submitted to the Committee.

Article 14 of the Board Regulations sets forth that the Committee may request the presence of any member of the management team or employee of the Bank. To such end, in 2014, in addition to the regular attendees cited above, Committee meeting attendees included the following officers:

- Chief Executive Officer
- Assistant General Manager of Business Banking
- Corporate Chief Financial Officer
- Corporate Head of People
- Corporate Head of Wholesale Risks
- Corporate Head of Retail Risks
- Corporate Head of Technology and Operations
- Head of the Customer Care Service
- Head of Tax Advisory
- Head of Investment Management
- Head of Global Risk Management
- Head of Services and Purchases
- Head of Systems Audit
- Head of Wholesale Transactions Approval
- Head of Retail Distribution
- Head of Developers Approval
- Head of Distribution

2. REPORT ON ACTIVITIES

The Audit and Compliance Committee worked primarily in six (6) main areas, monitoring:

- The Group's financial reporting
- External audit activity
- Internal audit activity

- Regulatory compliance activity
- Related party transactions
- Corporate governance

2.1. FINANCIAL REPORTING

The Committee's responsibilities for supervising the production of financial information have been channelled through attendance by the Comptroller to explain the Bank's accounting and financial statements and the quarterly closings before their submission to the Board of Directors and subsequent disclosure to the market and submission to the competent supervisory bodies. The Comptroller also presented the Audit and Compliance Committee with the monthly budget monitoring reports.

The Comptroller provided detailed reporting and explanations on the process of drawing up and adapting Bankia's individual and consolidated financial statements as well as the key trading figures. The Committee was also informed of the appropriateness of the figures presented as regards application of accounting criteria to generate information that is clear, relevant and reliable, in conformity with the applicable accounting standards.

At its meeting of 12 February 2014, the Committee agreed to report to the Board of Directors in favour of authorising the 2013 individual and consolidated annual accounts.

At its meeting on 21 July 2014, the Committee agreed to report favourably to the Board of Directors on the interim financial statements at 30 June.

The Comptroller reported periodically to the Audit and Compliance Committee on the monitoring of the Recapitalisation Plan. Lastly, the Comptroller presented the Committee with the draft Bankia Accounting Policies Manual, which was approved in the meeting held on 26 May 2014.

The Audit and Compliance Committee is responsible for supervising the efficacy of the company's internal controls, internal audits and systems for managing risks, including tax risks. In particular, it is charged with knowing and supervising the preparation and completeness of the company and Group's financial reporting. For this purpose, the Committee was informed about the external auditor's review of the procedures for reporting on the system for internal control of financial reporting (SICFR). It was also informed about the Strategic Risks and Security Plan 2013-2016 and the main aspects of the plan.

2.2. EXTERNAL AUDIT ACTIVITY

The General Meeting of Shareholders of the Bank held on 25 June 2013 appointed Ernst & Young, S.L. auditor of the annual accounts of the Bank and its consolidated group for financial years 2013, 2014 and 2015.

Relations and communication with the outside auditor have been a regular activity of the Committee, the Corporate Internal Audit Department and the Office of the Corporate Comptroller. The outside auditors attended all Audit and Compliance Committee meetings when the agenda featured questions relating to their duties, as noted in section 1.3 of this report.

The presence of the independent auditors at Committee meetings held in 2014 was primarily for the following purposes:

- Report the conclusions of the audit of the individual and consolidated annual accounts for 2013.
- Report the audit work done on the quarterly financial information for the first and third quarter of 2014.
- Report on the planning, scope and conclusions of the audit work on the semiannual financial statements at 30 June 2014.
- Report on the planning, scope and monitoring of the audit work on the individual and consolidated annual accounts for 2014.

Toward this end, the external auditor provided detailed information to the Committee on the planning and progress of the work, highlighting the principal issues and phases of the accounts review work, the projected timetable and the material specific issues for the year. The Committee carefully analysed all information submitted to in its meetings.

At the meeting of the Committee held on 26 May 2014, the external auditor presented the Complementary Report to the audit report on the financial statements and the Annual Report on the Protection of Customers' Assets.

Also, in the meeting held on 16 December 2014, the external auditor reported to the Committee on the state of the audit work on the financial statements at 31 December 2014.

The Audit and Compliance Committee examined the fees paid by the various Bankia Group companies to the external auditor, Ernst & Young, S.L., in 2014. A breakdown of those fees follows:

- For auditing Bankia S.A.'s annual accounts and the consolidated semiannual and annual accounts of the Bankia Group for 2014: EUR 1,433 thousand.
- For auditing and reviewing the 2014 financial statements of the foreign branches and subsidiaries integrated into the Bankia Group: EUR 238 thousand.
- For other examinations and audit-like services performed pursuant to regulatory requirements or to requests by supervisors of Group entities: EUR 406 thousand.
- For other professional services provided to various Group entities: EUR 118 thousand.

The services contracted by the Bankia Group comply with the independence requirements set forth in Legislative Royal Decree 1/2011 of 1 July, implementing the recast Audit Act, and do not include the performance of tasks incompatible with the audit function.

The Committee received the auditor's written confirmation of its independence from the Company and any parties directly or indirectly related to the Company, in accordance with the requirements set forth in the Audit Act in relation to independence. In this respect, the external auditor confirmed to the Committee that, based on the procedures implemented in the firm, no risk situation was detected that might affect its independence as auditor of the BFA-Bankia Group with respect to the standards established in the Audit Act.

2.3. INTERNAL AUDIT ACTIVITY

The internal audit function, which is covered by Bankia's Audit Function Statute, the most recent version of which was presented to the Committee by the Corporate Head of Internal Audit at the 20 October 2014 meeting, is an independent, objective assurance and consulting activity designed to add value to the Bank and improve the Group's operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes and information systems.

At the meeting of the Audit and Compliance Committee held on 24 February 2014, the Corporate Head of Internal Audit reported on the monitoring of compliance with the 2013 Internal Audit Plan. He also presented the content of the 2014 Internal Audit Plan, reporting on the following aspects: risk assessment, main lines of work, branch audit, central audit and 2014 SAREB Processes Audit Plan.

The Committee received regular reports on the progress of the 2014 Audit Plan and the actions taken by Internal Audit, which were monitored at regular intervals. The Corporate Head of Internal Audit gives the Committee quarterly Audit Plan progress reports, containing details of the work carried out and any resulting recommendations.

At the meeting of the Committee held on 16 December 2014, the Corporate Head of Internal Audit presented the 2015 Internal Audit Plan and the Budget and Resources Plan, which the Committee agreed to submit to the Board of Directors for approval.

Corporate Internal Audit also periodically reports to the Committee on a series of singular transactions it has analysed or supervised and the actions it has taken in respect of these transactions.

Additionally, it presented the Committee with the assessment report on efficiency and compliance with Bankia's governance rules and procedures, the review report on the problem loan management audit, the report on the operational risk audit, the proposal for a policy on the supervision of the independence of the external auditor, and the report on the anti-money laundering and terrorist financing audit: Sale of buildings and real estate investments.

2.4. REGULATORY COMPLIANCE ACTIVITY

Bankia's Chief Compliance Officer regularly attends Committee meetings to discuss matters that fall within his remit. At its meeting on 22 April 2014 the Committee heard a report on the 2014 Regulatory Compliance Plan, which includes all actions, projects and activities to be carried out during the year in connection with legal compliance.

The Plan is aimed at reinforcing Senior Management's policies and procedures for periodically identifying and assessing compliance risks and monitoring changes in laws and regulations, determining whether the Bank's activities are carried out in accordance with the obligations laid down in applicable laws and regulations, and assessing whether the existing internal and organisational guidelines and control measures are still effective and appropriate.

The Committee received regular reports on the following compliance monitoring activities:

- Internal Code of Conduct in the Securities Markets: the monitoring report on compliance with the Internal Codes of Conduct is presented to the Committee at half-yearly intervals.
- Criminal Risk Prevention Plan: The Annual Plan – which includes reviews of the recommendations made by the external auditors, the steps taken to extend the model to the rest of the Group, the supervision activity of the Criminal Risk Prevention Officer and the actions taken in relation to the

Bank's Code of Ethics and Conduct and the management of the confidential whistleblowing channel – was presented to the Committee at its meeting on 11 March 2014. In compliance with the plan, the Chief Compliance Officer appeared regularly before the Committee to report on the monitoring of the plan and any actions taken. At its meeting on 26 May 2014, the Committee approved the proposed Ten Rules of Criminal Risk Prevention, which set out the general principles for crime prevention and detection.

- Anti-money laundering and terrorist financing (AML&TF): the Chief Compliance Officer reported to the Committee on the amendment to Act 10/2010 on the prevention of money laundering and terrorist financing, explaining the main changes and the measures to be adopted. Each quarter the Chief Compliance Officer presented the report on compliance activities, which were closely monitored by the Committee.
- He also reports to the Committee at monthly intervals on requests submitted and inspections carried out by supervisory bodies and regional governments.

Other activities reported to the Committee by the Chief Compliance Officer include the annual corporate governance report, the monitoring of standard self-assessment reports, reports on the single supervisory mechanism (SSM), a report on the impact of CNMV Circular 1/2014 on the requirements to be met by the compliance function, and a report on the impact of Act 10/2014 on the ordering, supervision and solvency of credit institutions, among others.

2.5. RELATED PARTY TRANSACTIONS

Article 14.7 of the Bankia Board of Directors Regulations provides that the Audit and Compliance Committee will report to the Board of Directors on related party transactions before the Board makes a decision on such transactions. In this connection, article 36 of said regulations provides that the Board shall review any transactions the Company enters into, directly or indirectly, with directors, with shareholders or with persons related to them. Any such transactions will require authorisation from the Board, subject to a favourable report from the Audit and Compliance Committee.

As regards transactions with significant shareholders of the Bank, as Bankia is a listed entity, on 28 February 2014 Banco Financiero y de Ahorros, S.A.U. (BFA) and Bankia, S.A. entered into a new Framework Agreement, which superseded and replaced the agreement signed on 22 June 2011. The purpose of the Framework Agreement, which was reviewed favourably by the Audit and Compliance Committee at its meeting on 24 February 2014, is to regulate the relationship between BFA and Bankia. It defines the necessary mechanisms, within legal limits, (i) to ensure proper coordination, at all times, between Bankia, on the one hand, and BFA and Group companies, on the other; and (ii) to manage and

minimise possible conflicts of interest between BFA and Bankia (especially within the framework of related-party transactions), while ensuring proper respect for and protection of the interests of BFA and Bankia shareholders, within a framework of transparency in relations between the two entities.

The Framework Agreement may be developed through service concession arrangements.

The Audit and Compliance Committee is the governing body responsible for overseeing the Framework Agreement. Its main responsibility in this respect are as follows:

- Following submission of a reasoned proposal by an internal assessment committee made up of the heads of Risks, Internal Audit and Regulatory Compliance, be informed about intentions to carry out any transaction between the parties to the agreement that could be classified as related parties.
- Request any information it considers necessary from the body appointed by the Bank, in order to be able to complete the necessary case report, with the power, where the chairman considers it necessary, to request the presence of executives of Bankia or, where applicable, BFA. In this latter case, the request for an appearance shall be channelled through the chairman of the BFA Audit Committee. Lastly, where considered appropriate, the Committee may engage an advisor or independent expert to assist it in its functions.
- Assess the circumstances and submit a detailed report to the Board of Directors, before the transaction is carried out, except where the amount or terms are such that it is sufficient that the Committee be notified or where the transaction is of a customary or recurring nature and as such is covered by a general authorisation granted by the Board of Directors. In all cases, the Board will be informed.
- Report to the Board of Directors, in advance, on the information on related-party transactions subject to the Framework Agreement that is to be included in the Annual Corporate Governance Report and other information that is to be made public.
- Report as necessary to the Board of Directors on compliance with the Framework Agreement.
- Report, in advance, on any proposal to amend the Framework Agreement and put forward proposals for improving the agreement.
- Any other missions and responsibilities assigned to it by the Board of Directors under the Framework Agreement.

In its meetings during 2014, the Committee examined the relevant reports on related party transactions and referred them to the Board of Directors for approval.

The Committee also analysed proposed risk transactions involving members of the Bank's governing bodies in compliance with the provisions of article 36 of the Board of Directors Regulations.

2.6. CORPORATE GOVERNANCE

The Board of Directors Regulations (Article 14.4) provide that that one of the meetings of the Audit and Compliance Committee *"will be used to evaluate the efficiency of and compliance with the Company's governance rules and procedures, and prepare the information the Board must approve and include in the annual public documentation"*.

Pursuant to said provision, the Committee periodically monitors the efficiency of the governance rules and procedures and the level of compliance with them, paying special attention to the internal and external regulatory and governance framework linked to the interrelationship of the Bank's governance bodies and executive areas, emphasising the oversight function of the Board of Directors and the Audit and Compliance Committee's role in such oversight work.

At its meeting on 24 February 2014, the Committee received the report on the assessment of efficiency and compliance with Bankia's governance rules and procedures, which was presented at that meeting.

In performing the evaluation of the information that the Board must approve and include in the annual public documentation, once such information has been prepared the Committee checks the appropriateness of its content.

In this regard, the Committee gave the Board a favourable report on the content of the 2013 Annual Corporate Governance Report and on the 2013 Annual Report on Remuneration. Both reports were approved by the Board at its meeting of 12 February 2014. The Annual Corporate Governance Report was made available to the shareholders at the time of the call for the Ordinary General Meeting and the Annual Report on Remuneration was brought to an advisory vote at the Ordinary General Meeting.

In order to adapt the Bylaws and the Regulations of the General Meeting and the Board of Directors to the new corporate governance rules that came into force during 2014 and to the provisions of the Law on the ordering, supervision and solvency of credit institutions, the Audit and Compliance Committee reported favourably to the Board of Directors on the proposed amendments to said Bylaws and Regulations, which may be consulted on the corporate website (www.bankia.com).

2.7. OTHER ACTIVITIES

In addition to the work and activities outlined above, the Bankia Audit and Compliance Committee also studied and supervised, amongst others, the following areas:

- Treasury shares: the Committee receives monthly reports on treasury shares transactions.
- Registration Document: on 24 June 2014, the Committee resolved to report favourably on and submit to the Board of Directors the proposed Registration Document and Base Prospectus of Non-equity Securities and Base Prospectus of Promissory Notes, which was entered in the CNMV registers.
- Information of Prudential Relevance: at its meeting of 20 March 2014 the Committee reviewed the 2013 Report of Prudential Relevance (Pillar III Disclosures), regulated by Bank of Spain Circular 3/2008.
- Year-end documentation: at its meeting on 12 February 2014, the Committee reported favourably to the Board of Directors on the documentation and reporting in relation to year-end 2013.
- Transfer prices: the Committee receives quarterly reports on revenue from services provided to BFA by Bankia.
- Sharing of the cost of arbitration proceedings and lawsuits between BFA and Bankia: at its meeting on 29 January 2014, the Committee agreed to report favourably on the Agreement for the sharing, between BFA and Bankia, of the cost of arbitration proceedings and lawsuits in relation to preferred participating securities and subordinated debentures.