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August 7, 2019

Re: Proposed Exchange Offers by Banco Santander, S.A.

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

Attn: Ted Yu, Esq., Chief, Office of Mergers and Acquisitions
Nicholas Panos, Senior Special Counsel, Office of Mergers and Acquisitions

Dear Mr. Yu and Mr. Panos:

We are writing on behalf of our client Banco Santander, S.A. (“**Santander Spain**”), a bank organized under the laws of the Kingdom of Spain. On April 12, 2019, Santander Spain announced its intention to acquire all the issued and outstanding (i) Series B shares (“**Santander Mexico Shares**”) of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México (“**Santander Mexico**”) and (ii) American Depositary Shares (each of which represents five Santander Mexico Shares) (“**Santander Mexico ADSs**,” and together with the Santander Mexico Shares, the “**Santander Mexico Securities**”), in each case other than any Santander Mexico Securities owned directly or indirectly by Santander Spain, in exchange for 0.337 of an ordinary share of Santander Spain (“**Santander Spain Shares**”) for each Santander Mexico Share and 1.685 Santander Spain ADSs (“**Santander Spain ADSs**”, and together with the Santander Spain Shares, the “**Santander Spain Securities**”) for each Santander Mexico ADS. Santander Spain intends to structure the acquisition as a dual exchange offer comprising an exchange offer executed in the United States for Santander Mexico ADSs and for Santander Mexico Shares held by U.S. holders (the “**U.S. Exchange Offer**”) and a separate exchange offer executed in Mexico for Santander Mexico Shares (the “**Mexican Exchange Offer**,” and together with the U.S. Exchange Offer, the “**Exchange Offers**”). The Santander Spain Securities will be delivered in the form of Santander Spain Shares to holders of Santander Mexico Shares and Santander Spain ADSs to holders of Santander Mexico ADSs, in each case who tender into the U.S. Exchange Offer through the exchange agent for the U.S. Exchange Offer, and in the form of Santander Spain Shares to holders of Santander Mexico Shares who tender into the Mexican Exchange Offer through the Mexican exchange agent.

In connection with the Exchange Offers, Santander Spain has filed a Registration Statement on Form F-4 (File No. 333-231581) with the Securities and Exchange Commission (the

“Commission”) on May 17, 2019, Amendment No. 1 to the Registration Statement on Form F-4 on June 28, 2019 and Amendment No. 2 to the Registration Statement on Form F-4 on July 31, 2019 (as amended, the “**Registration Statement**”) which contains a preliminary offer to exchange/prospectus and that will register the Santander Spain Shares, including those underlying the Santander Spain ADSs, to be offered and sold to U.S. holders. Santander Spain has also filed a related Schedule TO-C on May 29, 2019 and will file a Schedule TO-T (the “**Schedule TO**”) upon commencement of the U.S. Exchange Offer. The Bank of New York Mellon, as depositary, has filed a registration statement on Form F-6 to register the Santander Spain ADSs to be issued in the U.S. Exchange Offer. In accordance with Mexican law, Santander Spain has filed a preliminary prospectus and information statement with the Mexican *Comisión Nacional Bancaria y de Valores* (the “**CNBV**”) to register the Santander Spain Shares to be issued pursuant to the Mexican Exchange Offer and for trading on the Mexican Stock Exchange (the “**MSE**”).

Unless otherwise specified, all references herein to “business days” or “U.S. business days” refer to business days in the United States, all references to “Mexican business days” refer to days other than Saturdays and Sundays on which commercial banks are open in Mexico City, Mexico and references to “Spanish business days” refer to days other than Saturdays and Sundays on which commercial banks are open in Madrid and Santander, Spain.

As previously discussed with members of the staff of the Commission, we hereby respectfully request the following relief from the Commission in connection with the Exchange Offers:

- exemptive relief from the provisions of Rule 14e-1(c) under the U.S. Securities Exchange Act of 1934 (the “**Exchange Act**”) to permit Santander Spain to deliver Santander Spain ADSs to holders of Santander Mexico ADSs that tender into the U.S. Exchange Offer no later than the sixth U.S. business day following the expiration of the Exchange Offers and to deliver Santander Spain Shares to holders of Santander Mexico Shares that tender into the U.S. Exchange Offer no later than the sixth Mexican business day following the expiration of the Exchange Offers;
- exemptive relief from the provisions of Rule 14d-10(a)(1) under the Exchange Act to permit the making of the Exchange Offers in the manner described herein; and
- exemptive relief from the provisions of Rule 14e-5 under the Exchange Act to permit Santander Spain to conduct the Mexican Exchange Offer and to purchase Santander Mexico Securities tendered pursuant to the Mexican Exchange Offer.

I. Background

Santander Spain

Santander Spain and its consolidated subsidiaries are a group of banking and financial companies that operate through a network of offices and subsidiaries across Spain and other European countries (including, among others, the United Kingdom, Austria, Germany, Italy, Poland, Portugal and Norway), several Latin American countries (including, among others, Argentina, Brazil, Chile, Mexico, Peru, Puerto Rico and Uruguay) and the United States offering a wide range of financial products and also conducting banking operations in other parts of the world.

The principal trading market for Santander Spain Shares is on the Spanish Stock Exchanges (“SSE”) in Madrid, Bilbao, Barcelona and Valencia through the Automated Quotation System of the SSE under the symbol “SAN.” Santander Spain Shares are also listed on the London Stock Exchange (“LSE”) under the symbol “BNC,” the Warsaw Stock Exchange under the symbol “SAN” and on the unsponsored *Sistema Internacional de Cotizaciones* of the MSE under the symbol “SANN.” In connection with the Exchange Offers, Santander Spain Shares will be registered and admitted to listing on the main market of the MSE. The Santander Spain Shares and the Santander Spain ADSs are registered pursuant to Section 12(b) of the Exchange Act and the Santander Spain ADSs are listed on the New York Stock Exchange (“NYSE”) under the symbol “SAN.”

Santander Spain was established on March 21, 1857 and incorporated in its present form by a public deed executed in Santander, Spain, on January 14, 1875. Santander Spain is incorporated under, and governed by the laws of the Kingdom of Spain and conducts business under the commercial name “Santander”. Santander Spain is a foreign private issuer as defined in Rule 3b-4(c) under the Exchange Act.

Santander Mexico

Santander Mexico is a leading full-service bank in Mexico. The Santander Mexico Shares are listed on the MSE under the symbol “SANMEX.” The Santander Mexico Shares and the Santander Mexico ADSs are registered pursuant to Section 12(b) of the Exchange Act and the Santander Mexico ADSs are listed on the NYSE under the symbol “BSMX.” Santander Mexico is a foreign private issuer as defined in Rule 3b-4(c) under the Exchange Act. As of June 30, 2019, Santander Spain and its affiliates owned approximately 75% of Santander Mexico’s total capital.

Ownership of Santander Mexico Securities by U.S. Persons

As of March 31, 2019, approximately 19.7% of Santander Mexico Shares not owned by Santander Spain or its affiliates were held of record by U.S. resident institutional investors and an additional 28.1% were held by U.S. resident investors through the Santander Mexico ADS program. Accordingly, Santander Spain is unable to conclude that the Exchange Offers would qualify for relief under paragraphs (c) or (d) of Rule 14d-1.

The Exchange Offers

Santander Spain is offering to acquire all the issued and outstanding Santander Mexico Securities, in each case other than Santander Mexico Securities owned directly or indirectly by Santander Spain, in exchange for 0.337 of a Santander Spain Share for each Santander Mexico Share and 1.685 Santander Spain ADSs for each Santander Mexico ADS. The transaction is structured as a dual offer comprising a U.S. Exchange Offer open to all holders of Santander Mexico ADSs and to all U.S. holders of Santander Mexico Shares and a separate Mexican Exchange Offer open to all holders of Santander Mexico Shares, wherever located. Except to the extent of any relief granted pursuant to this letter, the U.S. Exchange Offer is structured so as to comply with the applicable U.S. federal securities laws, including Regulations 14D and Regulation 14E under the Exchange Act. The Santander Spain Securities will be delivered in the form of Santander Spain Shares or Santander Spain ADSs as described below.

The Exchange Offers are not subject to a minimum tender condition or any other material conditions.

Santander Spain will deliver Santander Spain Shares or Santander Spain ADSs, as applicable, to holders of Santander Mexico Shares or Santander Mexico ADSs tendered into, and not withdrawn from, the U.S. Exchange Offer. The exchange agent for the U.S. Exchange Offer is The Bank of New York Mellon. Santander Spain will deliver Santander Spain Shares to holders of Santander Mexico Shares tendered into, and not withdrawn from, the Mexican Exchange Offer. The exchange agent for the Mexican Exchange Offer is Casa de Bolsa Santander, S.A. de C.V. Grupo Financiero Santander México, the Mexican broker-dealer subsidiary of Santander Mexico. The Santander Spain ADSs will be delivered in book entry form through the facilities of the Depository Trust Company or the direct registration system of the Bank of New York Mellon as ADS depositary. The Santander Spain Shares will be delivered in book entry form in Mexico through the facilities of Indeval, the Mexican clearing system.

If the Exchange Offers are completed, Santander Spain expects that holders of Santander Mexico ADSs that tendered into the U.S. Exchange Offer will receive the Santander Spain ADSs they are entitled to receive no later than the sixth U.S. business day following the expiration of the Exchange Offers and holders of Santander Mexico Shares that tendered into the Exchange Offers will receive the Santander Spain Shares they are entitled to receive no later than the sixth Mexican business day following the expiration of the Exchange Offers. Santander Spain will endeavor to cause delivery of the Santander Spain Shares and Santander Spain ADSs to occur before the applicable sixth business day following the expiration of each of the Exchange Offers if possible.

As described in the Registration Statement, no fractional Santander Spain Shares or Santander Spain ADSs will be delivered in connection with the Exchange Offers. In the U.S. Exchange Offer, instead of any such fractional Santander Spain Securities that holders would otherwise be entitled to receive, the U.S. exchange agent will aggregate all fractional Santander Spain Shares or Santander Spain ADSs that tendering holders would otherwise be entitled to receive, sell such fractional Santander Spain Shares or Santander Spain ADSs either directly or through a broker, and pay the resulting net cash proceeds in U.S. dollars to such holders as soon as practicable following delivery of the Santander Spain Shares and/or Santander Spain ADSs. In the Mexican Exchange Offer, the Mexican exchange agent will also aggregate fractional entitlements but then rather than selling the resulting whole shares, it distributes one such whole share to each of those holders with the highest fractional entitlement until all such whole shares have been distributed. The result is that some holders receive slightly more than their precise entitlement and other holders slightly less. These allocations take place entirely at the level of Mexican clearing system participants.

Relevant Mexican Law and Practice Considerations

In Mexico, tender offers are regulated by the Securities Market Law (*Ley del Mercado de Valores*) (the “**Mexican Securities Law**”) and by the General Rules Applicable to Issuers of Securities and Other Participants in the Stock Exchange, as amended (the “**Mexican Regulations**”) issued by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*, or the “**CNBV**”). The Mexican Exchange Offer will accordingly be conducted in accordance with the applicable requirements of the Mexican Securities Law and the Mexican Regulations and be subject to the supervision of the CNBV and the Mexican Stock Exchange.

In Mexico, tender offers for securities registered in the RNV are regulated by the Mexican Regulations and the Mexican Securities Law. Mexican counsel to Santander Spain has advised us that a tender offer may not be carried out, nor may tender offer documents be disseminated, in Mexico unless the tender offer and the tender offer materials (i) comply with the Mexican Regulations and the Mexican Securities Law and (ii) have been authorized by the CNBV. Mexican counsel has further advised us that, under the Mexican Regulations, the CNBV will not accept or approve a direct Spanish translation of the U.S. tender offer materials for use in Mexico. The Mexican Regulations mandate, and the CNBV expects, that a bidder will file for approval tender offer materials that follow a specific format rather than merely translating the U.S. tender offer materials into Spanish. As a result, dissemination in Mexico of the U.S. tender offer materials in conformity with U.S. laws, regulations and procedures would violate the Mexican Regulations and the Mexican Securities Law.

Mexican counsel has also advised us that, under the Mexican Regulations and practice in Mexico, tender offer materials are not disseminated by mail to security holders. Instead, the dissemination requirement is satisfied by posting the tender offer materials on the websites of the CNBV and the MSE. Dissemination to security holders, as would be required under the Exchange Act, is neither required nor customary in Mexico and would be onerous and impractical in the absence of an established infrastructure.

Relevant Spanish Law and Practice Considerations

Spanish corporate law provides for a number of procedural and ministerial steps that must be followed in connection with a share issuance by a Spanish company, many of which involve the taking of actions by third parties that Santander Spain cannot control. Share issuances first require a capital increase resolution be passed by Santander Spain shareholders. Such a resolution was passed at a Santander Spain Extraordinary General Shareholders meeting held on July 23, 2019. For the capital increase resolution passed by Santander Spain's shareholders to become effective, it must be subsequently executed by Santander Spain's board of directors or executive committee. The board of directors or the executive committee, however, can only execute a shareholder resolution once the precise number of shares to be issued is known and title to the relevant Santander Mexico Securities has been transferred to Santander Spain.

In addition, a number of ministerial and procedural steps must still be taken in order to deliver the Santander Spain Shares and Santander Spain ADSs deliverable to Santander Mexico holders tendering into the Exchange Offers. These steps can only begin after the offer period has expired and the final number of Santander Mexico Securities tendered has been determined and title to the relevant Santander Mexico Securities has been transferred to Santander Spain. Upon expiration of the offer period, Santander Spain will hold a meeting of its board of directors or executive committee on the date that title to the Santander Mexico Securities tendered is transferred to Santander Spain, which is expected to take place on the first U.S. and Mexican business day after the expiration of the Exchange Offers or, if that day is not a business day in Spain, on the first Spanish business day thereafter. At the board of directors or executive committee meeting, Santander Spain will pass a resolution to give effect to the capital increase resolution passed by its shareholders. This resolution will then be formalized before a notary public, filed with the relevant tax authorities and then filed with the commercial registry of Cantabria. The commercial registry of Cantabria will then review the resolution and have it registered. Once registered, physical copies of the deed must be transported within Spain to be filed with the SSEs and the Spanish central securities depositary (known as IBERCLEAR) in

Madrid. Moreover, a digital copy of the registered public deed, together with other ancillary documents, needs to be filed with the Spanish *Comisión Nacional del Mercado de Valores* (the “CNMV”). The SSEs, IBERCLEAR and the CNMV will then review the registration and ancillary documentation. In addition, the SSEs and IBERCLEAR will commence the performance of the technical procedures for the electronic registration of the Santander Spain Shares to be issued. The CNMV, the Spanish government agency responsible for financial regulation of the securities markets in Spain, then needs to authorize the new Santander Spain Shares to be listed in Spain. After the CNMV has authorized the listing, the SSEs will have to do so as well. Once all these authorizations have been granted, the SSEs and IBERCLEAR will perform their final technical procedures so the Santander Spain Shares can begin trading the following Spanish business day. Spanish counsel to Santander Spain have advised us that these steps could take up to six Spanish business days after the expiration of the Exchange Offers to complete.

II. Discussion

Availability of Tier II Relief under Rule 14d-1 and 14e-5

Rule 14d-1(d)(2) provides exemptive relief in cross border tender offers from Rule 14e-1(c) and Rule 14d-10, and Rule 14e-5(b)(11) provides exemptive relief in cross border tender offers from Rule 14e-5, in each case where U.S. holders do not hold more than 40 percent of the class of securities sought in the offer, excluding from the calculation securities held by the offeror, and the offeror complies with all U.S. tender offer laws other than those for which a specific exemption is provided by the Tier II relief. In addition, in order to qualify for Tier II relief from Rule 14d-10, (a) the U.S. offer must be made on terms at least as favorable as those offered to any other holder of the same class of securities that is the subject of the tender offers and (b) U.S. holders may be included in the foreign offer only where the laws of the jurisdiction governing such foreign offer expressly preclude the exclusion of U.S. holders from the foreign offer and where the offer materials distributed to U.S. holders fully and adequately disclose the risks of participating in the foreign offer. In addition, in order to qualify for Tier II relief from the requirements of Rule 14e-5, (a) the economic terms and consideration in the U.S. offer and the foreign offer must be the same; (b) the procedural terms of the U.S. offer must be at least as favorable to tendering holders as the terms of the foreign offer;¹ (c) the offeror’s intention to purchase Santander Mexico Securities pursuant to the foreign offer must be disclosed in the offer to exchange/prospectus; and (d) all purchases of the subject securities outside the U.S. offer must be made pursuant to the foreign offer and not pursuant to open market transactions, private transactions, or any other transactions.

The Exchange Offers meet all of the requirements for Tier II relief except for the U.S. ownership limitation. As noted above, more than 47% of Santander Mexico Securities not owned by Santander Spain or its affiliates were held of record by U.S. holders. Accordingly, Tier II relief is not available in the proposed Exchange Offers. However, in SEC Release Nos. 33-7759,

¹ As noted above, Mexican market practice for dealing with fractional entitlements differs slightly from US practice. In the United States fractional entitlements are aggregated by the exchange agent and any resulting whole shares sold, with the proceeds of that sale distributed ratably to tendering holders in respect of the fractional shares to which they were entitled. In Mexico, the exchange agent also aggregates fractional entitlements but then rather than selling the resulting whole shares, it distributes one such whole share to each of those holders with the highest fractional entitlement until all such whole shares have been distributed. The result is that some holders receive slightly more than their precise entitlement and other holders slightly less. These allocations take place entirely at the level of clearing system participants.

34-42054 (October 22, 1999) (the “**Cross-Border Release**”) adopting the Tier II exemptions, the Commission stated that, when U.S. ownership of the class of security of the foreign company sought in the offer is greater than 40%, it would consider relief on a case-by-case basis when there is a direct conflict between U.S. laws and practice and those of the home jurisdiction. Cross Border Release, Note 41. As noted above and discussed below, there are certain direct conflicts between U.S. law and practice and those of Mexico and Spain, as applicable, necessitating the relief requested in this letter.

Rule 14e-1(c)

Rule 14e-1(c) requires that payment for securities tendered in a tender offer be made promptly after the termination of the tender offer. The Commission has interpreted this rule to require payment within the normal settlement periods applicable to stock exchange transactions in the United States. While Santander Spain will endeavor to settle the U.S. Exchange Offer as soon as practicable, because the consideration being offered in the U.S. Exchange Offer consists of Santander Spain Shares and Santander Spain ADSs, Santander Spain must coordinate settlement with Spanish law and practice applicable to capital increases for Spanish companies. As described above, given the number of ministerial and procedural steps that are required to be taken in Spain before the Santander Spain Shares can be issued, Santander Spain cannot provide for settlement to occur within the normal settlement period applicable in the United States. Settlement of the U.S. Exchange Offer no later than the applicable sixth business day following the expiration of the offer period would provide Santander Spain with sufficient time to ensure it can comply with its obligations under Spanish law. Santander Spain will use its best efforts to ensure that the settlement of the U.S. Exchange Offer occurs as quickly as possible, but Santander Spain would not be able to conduct the Exchange Offers without the relief being requested from Rule 14e-1(c).

The Commission has on a number of occasions granted relief from Rule 14e-1(c) due to legal and practical requirements in foreign jurisdictions. See e.g., *Telefonica S.A., Telecomunicacoes de Sao Paulo S.A., Tele Sudeste Celular Participacoes S.A., Telefonica de Argentina S.A. & Telefonica del Peru, S.A.A.* SEC No-Action Letter, 2000 SEC No-Act. LEXIS 663 (June 5, 2000) (granting relief for payment to be made within 10 business days of termination due to Spanish legal and practical requirements); *Technip, S.A.*, SEC No-Action Letter, 2001 SEC No-Act. LEXIS 796 (Aug. 30, 2001) (granting relief for payment to be made within 6 business days of termination due to French legal and practical requirements); *Nordic Tel. Co. ApS*, SEC No-Action Letter, 2006 SEC No-Act. LEXIS 47 (Jan. 3, 2006) (granting relief for payment to be made within eight trading days of termination due to Danish legal and practical requirements); *Bolivarian Rep. of Venezuela*, SEC No-Action Letter, 2007 SEC No-Act. LEXIS 439 (Apr. 6, 2007) (granting relief for payment to be made within 10 trading days of termination due to Venezuelan legal and practical requirements); and *Banco Santander, S.A.*, SEC No-Action Letter, 2014 No-Act. 2014 WL 4827361 (Sept. 18, 2014). In *Banco Santander*, the Commission granted Santander Spain relief from Rule 14e-1(c) for up to a 10-day settlement period on the basis of the same Spanish legal and practical considerations on the issuance of shares of a Spanish issuer that are at issue here. The ministerial and procedural steps required for capital increases in Spain as described above require close cooperation of all relevant parties (including Santander Spain, the exchange agents, the SSEs and MSE, the clearing and settlement systems and public administrative entities such as the tax office, the commercial registry of Cantabria and the CNMV) and involves manual processes for which the specific timing is difficult to predict. Since the 2014 *Banco Santander* letter, the experience of Santander Spain in executing capital increases has allowed such

cooperation and processes to operate more efficiently and with a higher degree of predictability, and the CNMV now allows for electronic filing of the required documentation so filing of the capital increase public deed with the CNMV can occur on the same date on which it is registered with the commercial registry of Cantabria.

Rule 14d-10

Rule 14d-10(a)(1) under the Exchange Act provides that no person shall make a tender offer for an equity security unless the offer is open to all security holders of the class of securities subject to the tender offer. Literal application of Rule 14d-10(a)(1) would prohibit the dual offer structure of the Exchange Offers,² which is proposed in this case due to certain direct conflicts between Mexican and U.S. tender offer law and practice. As described in greater detail above, Mexican tender offer documentation is required to be presented in a different format and has different (although substantially similar) substantive disclosure requirements than those applicable to a tender offer subject to U.S. rules. In addition, tender offer documentation in Mexico must be in the Spanish language and must be in the form approved by the Mexican securities regulators. Finally, Mexican law does not require dissemination of the tender offer document by mail and, as a matter of practice, such dissemination is not made and would be impracticable due to the lack of architecture such as exists in the United States for distribution of materials to beneficial owners.

We respectfully submit that the best method for reconciling the points of conflict between U.S. and Mexican law and practice is the dual offer structure proposed herein. The Commission has previously recognized that reconciliation of points of conflict or tender offer practice differences present in the Exchange Offers is facilitated by a dual tender offer structure. See e.g., *America Movil, S.A.B. de C.V.*, SEC No Action Letter, File No. TP 10-23 (April 23, 2010) (granting dual offer relief for two concurrent offers carried out in the U.S. and Mexico); *In the Matter of Movil Access, S.A. de C.V. for Grupo Iusacell, S.A. de C.V.*, Exchange Act File TP 03-93 (June 24, 2003) (granting dual offer relief for two concurrent offers carried out in the U.S. and Mexico); *Banco Santander, S.A.*, SEC No-Action Letter, 2014 No-Act. 2014 WL 4827361 (Sept. 18, 2014) (granting dual offer relief for two concurrent offers carried out in the U.S. and Brazil); *In the Matter of The Pepsi Bottling Group, Inc., Bottling Group LLC and PBG Grupo Embotellador Hispano-Mexicano S.L.'s Tender Offer for Shares, CPOs and GDSs of Pepsi-Gemex, S.A. de C.V.* Exchange Act File TP 02-93 (October 14, 2002) (granting dual offer relief for two concurrent offers carried out in the U.S. and Mexico); *Coca-Cola Hellenic Bottling Company S.A. & Coca-Cola HBC AG*, SEC No-Action Letter, 2013 SEC No-Act. LEXIS 292 (Mar. 14, 2013) (granting relief for a dual offer structure due in part to the restrictions on making amendments to exchange offers under Greek law); *Vimpelcom Ltd., Altimo Holdings & Investments Ltd. and Telenor ASA* SEC No Action Letter, 2010 SEC No-Act. LEXIS 108 (February 5, 2010) (granting dual offer relief where foreign law and practice required that the foreign offer settlement occur after the U.S. offer settlement); *Telefonica S.A., Telecommunicacoes de Sao Paulo S.A., Tele Sudeste Celular Participacoes S.A., Telefonica de Argentina S.A. & Telefonica del Peru, S.A.A.* SEC No-Action Letter, 2000 SEC No-Act. LEXIS 663 (June 5, 2000) (granting dual offer relief for concurrent offers carried out in the U.S and other foreign jurisdictions); *ENDESA* SEC No Action Letter, 1999 SEC No-Act. LEXIS 144 (February 3, 1999) (granting dual offer relief for two concurrent offers

² As described in further detail above, the U.S. Exchange Offer will be open to all holders of Santander Mexico ADSs and to all U.S. holders of Santander Mexico Shares. The Mexican Exchange Offer will be open to all holders of Santander Mexico Shares, wherever located.

carried out in the U.S. and Chile). In each of these instances, Tier II relief was not available either because the offers predated the relief introduced in the Cross-Border Release or because the level of U.S. ownership in the securities subject to the offer exceeded 40%.

In view of the fact that the U.S. Exchange Offer will be for all Santander Mexico ADSs and for Santander Mexico Shares held by U.S. persons, and the Mexican Exchange Offer will be for all Santander Mexico Shares, and that there are otherwise no material differences between the U.S. Exchange Offer and the Mexican Exchange Offer, Santander Spain respectfully requests that the Exchange Offers in respect of the Santander Mexico Shares be exempted from compliance with Rule 14d-10(a)(1) of the Exchange Act to the extent necessary to conduct the Exchange Offers as described herein. Given (a) the protections afforded by the Mexican regulatory regime; (b) that the Exchange Offers will be made on the same economic terms and consideration; (c) the minimal differences in the procedural requirements applicable to each of the Exchange Offers; (d) that U.S. residents who hold Santander Mexico Shares may not be excluded from the Mexican Offer; and (e) that the Mexican Regulations and the Mexican Securities Law prohibit the wide dissemination in Mexico of the U.S. Exchange Offer materials, we believe that the requested exemption is therefore consistent with both the intent of the Commission expressed in the Cross-Border Relief and the relief granted by the Commission in the past.

Rule 14e-5

Rule 14e-5 under the Exchange Act provides, among other things, that an offeror is prohibited from directly or indirectly purchasing or arranging to purchase any securities subject to a tender offer, except pursuant to such offer. The prohibition applies from the time of public announcement of the tender offer until the tender offer expires. Read literally, Rule 14e-5 could be interpreted to prohibit the commencement of the Mexican Exchange Offer and purchases of Santander Mexico Securities pursuant to the Mexican Exchange Offer.

The Commission has granted relief from Rule 14e-5 for several transactions structured as dual offers. See, e.g. *Telefonica S.A., Telecomunicacoes de Sao Paulo S.A., Tele Sudeste Celular Participacoes S.A., Telefonica de Argentina S.A. & Telefonica del Peru, S.A.A.* SEC No-Action Letter, 2000 SEC No-Act. LEXIS 663 (June 5, 2000); *In the Matter of The Pepsi Bottling Group, Inc., Bottling Group LLC and PBG Grupo Embotellador Hispano-Mexicano S.L.'s Tender Offer for Shares, CPOs and GDSs of Pepsi-Gemex, S.A. de C.V.* Exchange Act File TP 02-93 (October 14, 2002); *In the Matter of Movil Access, S.A. de C.V. for Grupo Iusacell, S.A. de C.V.,* Exchange Act File TP 03-93 (June 24, 2003); *America Movil, S.A.B. de C.V.*, SEC No Action Letter, File No. TP 10-23 (April 23, 2010). The Commission has also granted relief from Rule 14e-5 with respect to dual offers that met all the criteria set forth in Rule 14e-5(b)(11) other than the condition that the offers qualify for the Tier II exemption. See, e.g., *Banco Santander, S.A.*, SEC No-Action Letter, 2014 No-Act. 2014 WL 4827361 (Sept. 18, 2014); *Coca-Cola Hellenic Bottling Company S.A. & Coca-Cola HBC AG*, SEC No-Action Letter, 2013 SEC No-Act. LEXIS 292 (Mar. 14, 2013); *America Movil, S.A.B. de C.V.* SEC No Action Letter, 2011 SEC No-Act. LEXIS 501 (October 3, 2011); *Vimpelcom Ltd., Altimo Holdings & Investments Ltd. and Telenor ASA* SEC No Action Letter, 2010 SEC No-Act. LEXIS 108 (February 5, 2010).

Finally, we respectfully note that Rule 14e-5 is designed to prevent manipulative and deceptive practices whereby an offeror purchases or arranges to purchase shares outside of a tender offer, either during or promptly following it. Because the proposed dual offer structure only involves purchases by the offeror pursuant to a concurrent, substantially identical foreign tender offer and

holders of Santander Mexico Securities will be entitled to participate in the U.S. Exchange Offer on terms at least as favorable as those offered in the Mexican Exchange Offer, it does not present the same risks as would open market purchases and thus the policies forming the basis for Rule 14e-5 are not violated by the requested exemption.

III. Exemptive Relief Requested

14e-1(c) Relief

We hereby respectfully request relief from Rule 14e-1(c) to permit Santander Spain to pay for Santander Mexico ADSs tendered into the U.S. Exchange Offer no later than the sixth U.S. business day following the expiration of the Exchange Offers and for Santander Mexico Shares tendered into the U.S. Exchange Offer no later than the sixth Mexican business day following the expiration of the Exchange Offers.

14d-10 Relief

We hereby respectfully request relief from Rule 14d-10(a)(1) under the Exchange Act to permit the making of the Exchange Offers in the manner described herein.

14e-5 Relief

We hereby respectfully request relief from Rule 14e-5 under the Exchange Act to permit Santander Spain to conduct the Mexican Exchange Offer and to purchase Santander Mexico Securities tendered pursuant to the Mexican Exchange Offer.

If you have any questions about this request, please do not hesitate to contact me (212-450-4950). We appreciate your assistance in this matter.

Very truly yours,



Nicholas A. Kronfeld

Copy to:

Mr. Javier Illescas
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Kingdom of Spain

Banco Santander, S.A.

Ciudad Grupo Santander
Avenida de Cantabria s/n
28660 Boadilla del Monte
Madrid, Spain

Madrid, August 7, 2019

Dear Sirs,

Re: Proposed Exchange Offers by Banco Santander, S.A.

We are acting as Spanish counsel to Banco Santander, S.A., a bank organized under the laws of the Kingdom of Spain ("**Santander Spain**"), in connection with its proposed exchange offers (the "**Exchange Offers**") for all the issued and outstanding (i) Series B shares and (ii) American Depository Shares ((i) and (ii) together, "**Santander Mexico Securities**") of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México, a bank organized under the laws of Mexico ("**Santander Mexico**"), in each case other than any Santander Mexico Securities owned directly or indirectly by Santander Spain, as described in the Registration Statement on Form F-4 (the "**Form F-4**"), filed with the U.S. Securities and Exchange Commission (the "**Commission**") on May 17, 2019 (File No 333-231581), as amended.

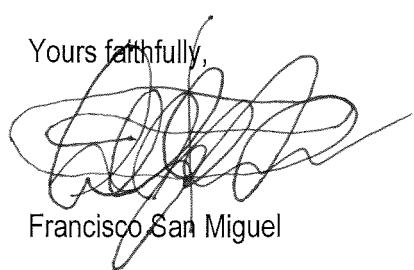
In such capacity, we have reviewed the letter, dated August 7, 2019, prepared by Davis Polk & Wardwell LLP on behalf of Santander Spain requesting certain exemptive relief in connection with the Exchange Offers as described therein (the "**Letter**"). We believe that the descriptions of Spanish law, regulation and practice in the Letter are fair, complete and accurate as such relate to the Exchange Offers.

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

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

URÍA
MENÉNDEZ

Yours faithfully,

A handwritten signature in black ink, appearing to read "Francisco San Miguel". The signature is fluid and cursive, with a prominent loop at the beginning.

Francisco San Miguel

LUIS J. CREEEL LUJÁN †
SAMUEL GARCÍA-CUÉLLAR S. †

CARLOS AIZA HADDAD
JEAN MICHEL ENRÍQUEZ DAHLHAUS
LUIS GERARDO GARCÍA SANTOS COY
GIOVANNI RAMÍREZ GARRIDO
SANTIAGO SEPÚLVEDA YTURBE
CARLOS DE ICAZA ANEIROS
CARLOS DEL RÍO SANTISO
LEONEL PEREZNIETO DEL PRADO
PEDRO VELASCO DE LA PEÑA
FRANCISCO MONTALVO GÓMEZ
EDUARDO GONZÁLEZ IRÍAS
CARLOS ZAMARRÓN ONTIVEROS
RODRIGO CASTELAZO DE LA FUENTE
JORGE MONTAÑO VALDÉS
FRANCISCO J. PENICHE BEGUERISSE

BERNARDO SEPÚLVEDA AMOR
CONSEJERO

ALEJANDRO SANTOYO REYES
OMAR ZÚÑIGA ARROYO
MERCEDES HADDAD ARÁMBURU
MAURICIO SERRALDE RODRÍGUEZ
BEGOÑA CANCINO GARÍN
JORGE E. CORREA CERVERA
BADIR TREVÍÑO-MOHAMED
HUMBERTO BOTTI ORIVE
LUIS IGNACIO VÁZQUEZ RUÍZ
CARLOS MENA LABARTHE
EDUARDO FLORES HERRERA
IKER I. ARRIOLA PEÑALOSA
JOSÉ IGNACIO SEGURA ALONSO
EMILIO AARÚN CORDERO
NARCISO CAMPOS CUEVAS

August 7, 2019

Re: Proposed Exchange Offers by Banco Santander, S.A.

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

Attn: Ted Yu, Esq., Chief, Office of Mergers and Acquisitions
Nicholas Panos, Senior Special Counsel, Office of Mergers and Acquisitions

Dear Mr. Yu and Mr. Panos:

We are acting as Mexican counsel to Banco Santander, S.A., a bank organized under the laws of the Kingdom of Spain (“**Santander Spain**”), in connection with its proposed exchange offers (the “**Exchange Offers**”) for all the issued and outstanding (i) Series B shares and (ii) American Depository Shares ((i) and (ii) together, “**Santander Mexico Securities**”) of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México, a bank organized under the laws of Mexico (“**Santander Mexico**”), in each case other than any Santander Mexico Securities owned directly or indirectly by Santander Spain, as described in the Registration Statement on Form F-4 (the “**Form F-4**”), filed with the U.S. Securities and Exchange Commission (the “**Commission**”) on May 17, 2019 (File No 333-231581), as amended.

In such capacity, we have reviewed the letter, dated August 7, 2019, prepared by Davis Polk & Wardwell LLP on behalf of Santander Spain requesting certain exemptive relief in connection with the Exchange Offers as described therein (the “**Letter**”). We believe that the descriptions of Mexican law, regulation and practice in the Letter are fair, complete and accurate as such relate to the Exchange Offers.

The foregoing confirmation is limited to matters involving the laws of Mexico and is not to be read as extending by implication to any other matters not referred to herein.

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

Sincerely yours,

Creel, García-Cuéllar, Aiza y Enríquez

/s/ Creel, García-Cuéllar, Aiza y Enríquez,
S.C.

**Creel, García-Cuéllar, Aiza y Enríquez,
S.C.**