

**40. GUARANTEES AND OTHER COMMITMENTS**

This balance is analysed as follows:

	(Thousands of euros)	
	<b>2017</b>	<b>2016</b>
<b>Guarantees granted (note 20)</b>		
Guarantees	2,966,103	2,866,166
Stand-by letter of credit	42,133	46,181
Open documentary credits	293,752	366,707
Bails and indemnities	190,303	394,677
Other liabilities	168,760	283,760
	<b>3,661,051</b>	<b>3,957,491</b>
<b>Commitments to third parties</b>		
Irrevocable commitments		
Irrevocable credit lines	1,318,879	612,612
Securities subscription	105,341	-
Other irrevocable commitments	112,566	113,339
Revocable commitments		
Revocable credit lines	4,180,826	4,092,675
Bank overdraft facilities	663,624	664,121
	<b>6,381,236</b>	<b>5,482,747</b>
<b>Guarantees received</b>	<b>21,792,044</b>	<b>22,728,790</b>
<b>Commitments from third parties</b>	<b>10,679,342</b>	<b>10,612,792</b>
<b>Securities and other items held for safekeeping</b>	<b>53,314,176</b>	<b>47,220,565</b>
<b>Securities and other items held under custody by the Securities Depository Authority</b>	<b>59,748,170</b>	<b>51,379,618</b>
<b>Other off balance sheet accounts</b>	<b>123,817,080</b>	<b>124,438,693</b>

The guarantees granted by the Bank may be related to loans transactions, where the Group grants a guarantee in connection with a loan granted to a client by a third entity. According to its specific characteristics it is expected that some of these guarantees expire without being executed and therefore these transactions do not necessarily represent a cash-outflow. The estimated liabilities are recorded under provisions (note 34).

Stand-by letters and open documentary credits aim to ensure the payment to third parties from commercial deals with foreign entities and therefore financing the shipment of the goods. Therefore the credit risk of these transactions is limited since they are collateralised by the shipped goods and are generally short term operations.

Irrevocable commitments are non-used parts of credit facilities granted to corporate or retail customers. Many of these transactions have a fixed term and a variable interest rate and therefore the credit and interest rate risk is limited.

The financial instruments accounted as Guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, namely regarding the analysis of objective evidence of impairment, as described in the accounting policy in note 1 b). The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Bank in the event of default by the respective counterparties, without considering potential recoveries or collaterals.