

STATEMENT FROM THE SD EIBAR PRESIDENT

Firstly, I wish to take this opportunity to thank the SD Eibar shareholders for the confidence that they have shown in the board and the executive management team's running of the club, with 95% of the votes cast at the Shareholders' Meeting approving the board's management. We really do feel very well supported, which is something that we are honestly grateful for at a time when it seems that there are also some individuals who are seeking to harm the club.

I honestly intended for my transition into the role of president to be a straightforward and highly professionally managed one, in which I would focus on the areas where I felt I could make a contribution, but in truth that is being made very difficult for me.

It would appear as if it's time to roll our sleeves up even more and engage in issues, which whilst not being at all pleasant, are ones that must be dealt with. The good thing about this situation is that it's serving to make us stronger as a team, whilst we're receiving support from a large number of people.

When things are going well on the field, in economic terms and in all of the other areas in the running of the club; when the working environment has finally changed and everyone is focused on what they need to do, it would appear as if there is a small minority who don't like it when things are going well and they prefer to stir things and try to create trouble and generate doubts.

I will not allow the honour of the club's board members or my own to be unjustly questioned with references to legal and moral irresponsibility made on the basis of half truths, as was the case in the statement made by the (female) representative of the eight shareholders.

Since joining the club, I've proposed and introduced an internal audit commission, which was established even before I was named as club president. We've also introduced codes of conduct and have established a complaints channel and have rolled out a company ethics code.

Pursuant to the aforementioned internal audit committee, we've initiated exhaustive investigations into the expenses incurred by the club over the last three years and those allocated to each of the board members, the results of which will be made available to shareholders upon completion.

Today we boast internal monitoring procedures, just like any listed company. I've served on professional boards for many years and at this stage I won't be lectured to about ethics within public limited companies.

What I'm going to say here is backed up by the numbers, since I was appointed president, there has been a VERY significant reduction in the club's expenses. I'm the only board member who has a club credit card and I can tell you now that I'm yet to use it and I don't intend on doing so.

We now have a system in operation which allows for the full monitoring of expenses, with all of the procedures in place to ensure that decisions are not made on an arbitrary basis.

Here we all work in a selfless way, and on behalf of all of the board members, I can assure you that our roles bring with them a great deal of satisfaction and many disappointments, which, incidentally, I'm not sure balance each other out.

Currently, a role on the board sees all of the board members losing out financially or at least nobody comes away better off.

It has been said that during my presidency, which I'm only six months into, decisions have been made to issue three contracts with providers who have links to members of the club's board, and although I believe that each of these cases was sufficiently answered during the Shareholders' Meeting, I have spent the last few days looking into them in greater detail and checking whether we had strictly adhered to all of the procedures which have been established within the club. I can confirm that this was the case.

I'll now analyse these cases one by one.

Case 1 : Outsourcing of the construction work on the East Stand

The Building and Security Committee, which Mr Agustín Lahidalga clearly isn't a member of, came together and decided to request quotes from seven companies. A fully professional selection process was undertaken and a decision was reached on the basis of three criteria: cost, reliability and completion date. At the end of this process, the decision was made to award the contract to Amenabar. I wish to take this opportunity to thank them for their fine work, which saw the stand completed two months ahead of schedule. For us, that was the vital aspect for obvious reasons.

We don't have any say in the criteria used by our suppliers when subcontracting, not in relation to which insurance company they decide to work with or which IT systems they use, or where they purchase the iron to be used in the construction work. SD Eibar has nothing to do with these decisions, either directly or indirectly.

Nothing at all has been hidden, everything has been transparent and open to the public, the Hierros Arrate lorries have been visible around the site, just as they are throughout many other sites across the region.

I'm sorry to say but there's no case here. There's no legal or ethical case or even any case on the grounds of a lack of common sense, which it would appear is not as common as it may seem.

Case 2 : Insurance policies outsourced to Axa Seguros

It has been claimed that since I've been president of the club, insurance policies have been outsourced to the brokers owned by Mariella Saitz, the wife of Mikel Larrañaga. I have checked this for myself and Mariella has been working with Eibar since 13 December 2012. This was much before I became president and, incidentally, long before her husband, Mikel Larrañaga, joined the club's board. As a result, the decision to contract her services was made by somebody else and not by me.

Our internal procedures state that we carry out a periodic review of our insurance policies, with the aim of improving the conditions and reduced their cost and I assure you that this has been undertaken with a fully professional approach and Axa were the most competitive of the three requested quotes.

Nevertheless, the club entered into negotiations with the company and managed to achieve an improved price. The figure mentioned during the Shareholders' Meeting of €150,000 was the first quote we received, **this was information which was only known internally within the club.**

This quote was subsequently negotiated down to €128,000.

We are unsure as to how this woman obtained this information.

What I cannot allow to happen is for the club to be paying a higher cost than it should for outsourced services. I'm not going to give up the opportunity to reduce costs just to allow somebody to use the situation to their advantage or to cause damage.

As such, I conclude that THERE'S NO CASE HERE EITHER and I particularly wish to highlight that this supplier didn't start working with the club during my presidency, but rather during the previous president's time.

Case 3: Contract issued to Solmicro for ERP system

This is the only real contract that has been issued since I assumed the presidency. It was all textbook and it's one that I'm very proud of.

Firstly, the club's management highlighted the need for an enterprise planning system, which was a clear requirement given the major increase in invoices and the need for the monitoring of the companies' activities to be improved.

Different options were considered and it was decided that Expertis was one of the programs that would be considered. At that very moment, Mr Joseba Unamuno raised his hand and made his conflict of interest official and as a result he left the meeting, this features in the minutes of the meeting, which took place on 29 August 2016.

Therefore, from that moment on, he was excluded from accessing any sort of information and, of course, didn't take part in any of the decision-making.

The management and technical team analysed the different systems and came to a clear decision in favour of Expertis, after having verified its use and efficiency at other football clubs, such as Real Sociedad and Athletic Bilbao, clubs at which Mr Unamuno is not a board member, as far as I am aware.

I conclude that there is a clear conflict of interests here but that this was managed with the utmost professionalism.

All of the board members, except Joseba Unamuno, can confirm that this is how things unfolded, given that they were present when the decision was made, which, as I say, features in the minutes of the meeting held on 29 August 2016.

As a small town, it's very difficult for us to comply with our internal objective of outsourcing our services mainly to local companies and for there not be any conflicts of interest in many of the decisions that we have to make. There may always be a family member or a friend who is a part of or is associated with a given local business, but that doesn't matter, the important thing to act in a completely professional and transparent manner.

This is something that is seen in all companies and that's why the procedure to follow is regulated.

In our case, this is the procedure we follow:

1. The conflict of interest is identified in good time.
2. The individual in question is excluded from having access to inside information and from participating in the decision-making process.
3. Those involved make sure that internal procedures have been adhered to (a minimum of three quotes, the same conditions for all of them, etc).
4. A transparent decision is made during a board meeting.
5. The decision features in the minutes of the board meeting.
6. Full transparency is guaranteed throughout the process. Everyone, both the managers and board members, must be aware of the conflict of interests.
7. If the amount of money is significant it must be recorded in the company's report.

This process has been clearly followed since I was appointed president.

Given that I'm aware that there will be individuals who will also look to turn this statement around or who simply don't believe what I'm saying, I attach a report submitted by the Compliance Body in which they certify that the contracts issued are correct and are perfectly justifiable.

These individuals are clearly acting in bad faith and I believe that a line has been crossed in their attempts to cause the club harm and much damage has been done to those involved.

I wish to underline that Hierros Arrate previously provided Obegisa with materials in the construction of the North Stand and Mariella Saitz from Axa has been the club's insurance supplier since 2012, in both cases under the presidency of the previous president and yet in none of the previous Shareholders' Meetings was this deemed deserving of the attention of any of the shareholders. Why is that now not the case?

I would ask everyone not to become involved in this **outsourced staged story** and not to be taken in by these half lies and these populist methods.

Eibar should be featuring in the media on account of the club's on-field success and for everything positive that it brings to society and not with staged situations which are more at home on a television set.

By the way, should anyone have any queries at any time, any questions or suggestions, we would be more than happy to offer a response or clarify any queries which may crop up, provided that these are constructive, aren't intended in bad faith and don't violate the club's regulations.

The presidential campaign begins in April and not now

I can assure you that we are going about things in the right way and that nobody who is serving on the current board is doing so for their own personal gain. The shareholders can be relaxed in the knowledge that we're managing and running this club without any sort of personal interests. I hope that in the future those that succeed us on the board will continue to do so.

In the meantime, and I'll say it again, I hope that the headlines about Eibar are limited to on-field events and stories about the club's social work and that they're all good news stories. I hope that we don't have to deal with these types of issues again, and above all, that once resolved, we can draw a line under this **and that those involved are indemnified.**