

Final Terms dated 18 June 2008



**COMPAGNIE DE FINANCEMENT FONCIER**

Euro 75,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières*

Due from one month from the date of original issue

**SERIES NO: 195**

**TRANCHE NO: 9**

**EUR 135,000,000 Index Linked *Obligations Foncières* due August 2024 (the “Notes”) to be assimilated  
(*assimilées*) upon listing and form a single series with the existing :**

**€ 148,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 6 August 2004  
as Tranche 1 of Series 195,**

**€ 174,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 17 February 2005  
as Tranche 2 of Series 195,**

**€ 120,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 17 February 2005  
as Tranche 3 of Series 195,**

**€ 90,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 28 November 2005  
as Tranche 4 of Series 195,**

**€ 156,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 6 February 2006  
as Tranche 5 of Series 195,**

**€ 27,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 21 December 2006  
as Tranche 6 of Series 195**

**€ 40,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 6 February 2007  
as Tranche 7 of Series 195**

**€ 150,000,000 Index Linked *Obligations Foncières* due August 2024 issued on 21 June 2007  
as Tranche 8 of Series 195**

**(the “Existing Notes”)**

**Issued by: COMPAGNIE DE FINANCEMENT FONCIER (the “Issuer”)**

Issue Price: 95.1713927 per cent.

plus accrued interest at a rate of 0.471151 per cent.

of the Aggregate Nominal Amount of the Tranche for the period from and including  
6 May 2008 to but excluding the Issue Date

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The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated 1 July 2004 which received visa n°P.02-153 from the Commission des Opérations de Bourse (the “**COB**”) (now the *Autorité des marchés financiers* (“**AMF**”)) on 13 June 2002. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 16 July 2007 which received visa n°07-0256 from the AMF on 16 July 2007, and the supplements to the Base Prospectus dated 3 September 2007, 29 October 2007 and 17 April 2008 which respectively received visa n°07-299 from the AMF on 3 September 2007, visa n°07-376 from the AMF on 29 October 2007 and visa n°08-0072 from the AMF on 17 April 2008 (the “**Supplements**”) which together constitute a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Offering Circular dated 1 July 2004 and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Offering Circular dated 1 July 2004, the Base Prospectus dated 16 July 2007 and its Supplements. The Base Prospectus, its Supplements and the Offering Circular are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and, if relevant, on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)), and copies may be obtained from Compagnie de Financement Foncier 4, Quai de Bercy, 94224 Charenton Cedex, France.

The Notes newly issued will be assimilated (*assimilées*) and form a single series with the Existing Notes upon listing of the Notes, bringing the total principal amount of the Notes of Series 195 to EUR 1,040,000,000.

<b>1</b>	Issuer:	Compagnie de Financement Foncier
<b>2</b>	(i) Series Number:	195
	(ii) Tranche Number:	9
		The Notes will be assimilated ( <i>assimilées</i> ) upon listing and form a single series with the Existing Notes.
<b>3</b>	Specified Currency or Currencies:	Euro (“ <b>EUR</b> ”)
<b>4</b>	Aggregate Nominal Amount:	
	(i) Series:	EUR 1,040,000,000
	(ii) Tranche:	EUR 135,000,000

5	Issue Price:	95.1713927 per cent. of the Aggregate Nominal Amount plus accrued interest at a rate of 0.471151 per cent. of the Aggregate Nominal Amount of the Tranche for the period from and including 6 May 2008 to but excluding the Issue Date
6	Specified Denominations:	EUR 10,000
7	(i) Issue Date:	20 June 2008
	(ii) Interest Commencement Date:	6 May 2008
8	Maturity Date:	6 August 2024
9	Interest Basis:	Index Linked Interest <i>(further particulars specified below)</i>
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Call Options:	Not Applicable
13	(i) Status of the Notes:	<i>Obligations Foncières</i>
	(ii) Dates of the corporate authorisations for issuance of the Notes	Decision of the <i>Conseil d'administration</i> of <i>Compagnie de Financement Foncier</i> dated 26 March 2008 authorising :  (i) the issue of the Notes;  (ii) <i>inter alios</i> , its <i>Président Directeur Général</i> and its <i>Directeur Général délégué</i> the power to sign and execute all documents in relation to the issue of Notes; and  (iii) the quarterly programme of borrowings which benefit from the <i>privilège</i> referred to in Article L.515-19 of the Code of up to and including EUR 10 billion for the second quarter of 2008.
14	Method of distribution:	Non-syndicated
<b>PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE</b>		
15	<b>Fixed Rate Note Provisions</b>	Not Applicable
16	<b>Floating Rate Provisions</b>	Not Applicable
17	<b>Zero Coupon Note Provisions</b>	Not Applicable
18	<b>Index Linked Interest Note/other variable-linked interest Note Provisions</b>	Applicable

(i) Index/Formula/other variable:

The quarterly Rate of Interest applicable to each Interest Period will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Max } [0; (1 + \text{CMS10y} - 0.675\%)^{1/4} - 1]$$

Where:

"Business Day" means a day (other than a Saturday or a Sunday) on which the TARGET System is operating.

"CMS10y" means, in respect of the definition of Rate of Interest, the annual swap rate for euros swap transactions expressed as a percentage (which is defined under the Floating Rate Option "EUR-ISDA-EURIBOR-Swap Rate-11:00" with a Designated Maturity of 10 years, calculated and published by the International Swap and Derivatives Association (ISDA) and appearing for the purpose of information only on Reuters Page "ISDAFIX2" at 11:00 a.m. (Frankfurt time)), in respect of the second Business Day preceding the beginning of each Interest Period.

"ISDA Definitions" means the 2000 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.

(ii) Calculation Agent responsible for calculating the interest due:

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(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:

The Interest Amount payable in respect of each Note on the relevant Specified Interest Payment Date (as defined in paragraph 18(vii)) will be obtained by multiplying the relevant Rate of Interest (as defined in paragraph 18(i)) by the Nominal Amount of such *Obligations Foncières*.

Where:

"Nominal Amount" means the nominal amount of one *Obligation Foncière* (i.e. EUR 10,000).

(iv)	Interest Period(s):	Means any period between the Issue Date (included) and the first Specified Interest Payment Date (excluded) and thereafter between two successive Specified Interest Payment Dates (the first one included and the second one excluded).
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula an/or other variable is impossible or impracticable or other wise disrupted:	See Conditions
(vi)	Interest or calculation period(s):	See paragraph 18(i) above
(vii)	Specified Interest Payment Dates:	6 August, 6 November, 6 February and 6 May in each year from and including 6 May 2008 to and including the Maturity Date.
(viii)	Business Day Convention:	Not Applicable
(ix)	Business Centre(s) (Condition 5(a)):	Not Applicable
(x)	Minimum Rate /Amount of Interest:	0%
(xi)	Maximum Rate /Amount of Interest:	Not Applicable
(xii)	Day Count Fraction (Condition 5(a)):	Not Applicable
<b>19</b>	<b>Dual Currency Note Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

<b>20</b>	<b>Call Option</b>	Not Applicable
<b>21</b>	<b>Other Option</b>	Not Applicable
<b>22</b>	<b>Final Redemption Amount of each Note</b>	EUR 10,000 per Note of EUR 10,000 Specified Denomination
<b>23</b>	<b>Early Redemption Amount</b> Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on any early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Not Applicable

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

<b>24</b>	Form of Notes:	Dematerialised Notes
(i)	Form of Dematerialised Notes:	Bearer dematerialised form ( <i>au porteur</i> )
(ii)	Registration Agent:	Not Applicable
(iii)	Temporary Global Certificate:	Not Applicable

	(iv) Applicable TEFRA exemption:	Not Applicable
<b>25</b>	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	TARGET and London Business Days
	Adjusted Payment Date (Condition 7(h)):	The next following business day unless it would thereby fall into the next calendar month, in which such event such date shall be brought forward to the immediately preceding business day.
<b>26</b>	Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):	Not Applicable
<b>27</b>	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay]:	Not Applicable
<b>28</b>	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
<b>29</b>	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
<b>30</b>	Consolidation provisions:	Not Applicable
<b>31</b>	Representation of holders of Notes <i>Masse</i> (Condition 10)	Applicable
		The initial Representative will be: Madame Brigitte Minard 72 bis, Avenue de Buzenval 92500 Rueil Malmaison France
		The alternate Representative will be: Madame Catherine Le Corre 59 bis, rue Moulin Vert 75104 Paris France
		The Representatives will not receive any remuneration
<b>32</b>	Other final terms:	Not Applicable
<b>DISTRIBUTION</b>		
<b>33</b>	(i) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable

(ii)	Date of Subscription Agreement:	Not Applicable
(iii)	Stabilising Manager(s) (if any):	Not Applicable
<b>34</b>	If non-syndicated, name and address of Dealer:	Natixis
<b>35</b>	Total commission and concession:	Not Applicable
<b>36</b>	Additional selling restrictions:	<p>FRANCE:</p> <p>Each of the Dealer and the Issuer has represented and agreed that, in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus as supplemented, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to qualified investors (<i>investisseurs qualifiés</i>) as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3 of the French <i>Code monétaire et financier</i>, but excluding individuals referred to in Article D.411-I II 2° of the French <i>Code monétaire et financier</i>.</p>

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading of the Notes described herein on the *Bourse de Luxembourg* (regulated market of the Luxembourg Stock Exchange) pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Duly represented by:

## PART B – OTHER INFORMATION

### 1. RISK FACTORS

See “Risk Factors” in the Base Prospectus

### 2. LISTING

(i) Admission to trading: Application has been made for the Notes to be listed and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from 20 June 2008.

The Existing Notes are already admitted to trading on the *Bourse de Luxembourg*.

(ii) Additional publication of Base Prospectus and Final Terms: Yes

The Base Prospectus and the Final Terms will be published on the website of the *Bourse de Luxembourg* ([www.bourse.lu](http://www.bourse.lu))

(iii) Regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading:

The Existing Notes are already admitted to trading on the *Bourse de Luxembourg*.

### 3. RATINGS

Ratings: The Programme has been rated Aaa by Moody’s Investors Service and AAA by Standard & Poors Ratings Services.

For Moody’s Investors Service, Notes issued under the Programme are deemed to have the same rating as the Programme, investors are invited to check on a regular basis the rating assigned to the Programme which is publicly disclosed via Moody’s rating desk or [moodys.com](http://moodys.com).

The Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services<sup>1</sup> and by Fitch Ratings<sup>2</sup>.

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<sup>1</sup> An obligation rated “AAA” has the highest rating assigned by Standard & Poors. The obligor capacity to meet its financial commitment on the obligation is extremely strong (source: Standard & Poors Ratings Services).

<sup>2</sup> A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without notice.



#### **4. NOTIFICATION**

The *Autorité des marchés financiers* in France has provided the *Commission de Surveillance du Secteur Financier* in Luxembourg with certificates of approval attesting that the Base Prospectus and its supplements dated 3 September 2007, 29 October 2007 and 17 April 2008 have been drawn up in accordance with the Prospectus Directive.

#### **5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in “Subscription and Sale” so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

#### **6. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) Reasons for the offer: The net proceeds of the issue of the Notes will be used for the Issuer’s general corporate purposes.
- (ii) Estimated net proceeds: EUR 129,117,434
- (iii) Estimated total expenses: Estimated total listing fees (Luxembourg): EUR 400

#### **7. YIELD**

Not Applicable

#### **8. HISTORIC INTEREST RATES**

Not Applicable

#### **9. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Under these Notes, the Noteholders are entitled to receive quarterly indexed coupon amounts linked to the EUR-CMS 10 years, being the annual swap rate for EUR denominated interest swap transactions for a Designated Maturity of 10 years.

At maturity, the Noteholders are entitled to receive 100% of the amount initially invested.

For information purposes only, information and historical data for the EUR-CMS 10 years may be found on Reuters page EURSFIXA10Y=

#### **10. PERFORMANCE OF RATE[S] OF EXCHANGE**

Not Applicable

#### **11. EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

#### **12. OPERATIONAL INFORMATION**

ISIN Code: FR0010101832

Common Code: 019661237

Depositories:

- |      |                                                                                    |     |
|------|------------------------------------------------------------------------------------|-----|
| (i)  | Euroclear France to act as<br>Central Depository                                   | Yes |
| (ii) | Common Depository for<br>Euroclear Bank S.A./N.V.<br>and Clearstream<br>Luxembourg | No  |

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

The Agents appointed in respect of the Notes are:

**Fiscal Agent and Principal Paying Agent:**

Deutsche Bank AG London  
Winchester House  
1 Great Winchester Street  
EC2N 2DB London  
United Kingdom

**Calculation Agent:**

Natixis  
30 avenue Pierre Mendès France  
75013 Paris  
France

**Paris Paying agent:**

Crédit Foncier de France  
4, quai de Bercy  
94224 Charenton Cedex  
France

**Luxembourg Listing and Paying Agent:**

Deutsche Bank Luxembourg S.A.  
2, boulevard Konrad Adenauer  
L-1115 Luxembourg  
Luxembourg

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

The aggregate principal amount of Notes issued has been translated into Euro at the rate of *[currency]* [•] per Euro 1. 00, producing a sum of:

Not Applicable

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed, amended or varied by the relevant Pricing Supplement. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued by Compagnie de Financement Foncier (the “**Issuer**”) with the benefit of an amended and restated agency agreement dated 1 July 2004 between the Issuer, Deutsche Bank AG as fiscal agent and the other agents named in it (the “**Amended and Restated Agency Agreement**”). The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”.

References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below.

Certain defined terms contained in the 2001 FBF Master Agreement relating to transactions on forward financial instruments (formerly the 1994 AFB Master Agreement for Foreign Exchange and Derivatives Transactions as supplemented by the Technical Schedules published by the AFB or the FBF (together the “**FBF Master Agreement**”)) have either been used or reproduced in Condition 5 below.

Copies of the FBF Master Agreement are available for inspection at the specified offices of each of the Paying Agents.

### **1 Form, Denomination, Title and Redenomination**

(a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).

(i) Title to Dematerialised Notes will be evidenced in accordance with Article L.211-4 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article 7 of Decree no. 83-359 of 2 May 1983) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder in either administered registered dematerialised form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered dematerialised form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by a registration agent (designated in the relevant Pricing Supplement) acting on behalf of the Issuer (the “**Registration Agent**”).

For the purpose of these Conditions, “**Account Holder**” means any authorised financial intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, and includes Clearstream Banking AG (“**Clearstream, Frankfurt**”), Euroclear Bank S.A. / N.V., as operator of the Euroclear System (“**Euroclear**”) and the depository bank for Clearstream Banking, société anonyme, (“**Clearstream, Luxembourg**”).

- (ii) Materialised Notes are issued in bearer form. Definitive Materialised Notes are printed on security paper, are serially numbered and are issued with coupons (the “**Coupons**”) (and, where appropriate, a talon (the “**Talons**”) attached), save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more receipts (the “**Receipts**”) attached.

*In accordance with Article L.211-4 of the French Code monétaire et financier, securities (including the Notes) in materialised form and governed by French law must be issued outside the French territory.*

- (b) **Denomination:** Notes shall be issued in the Specified Denomination(s) as set out in the relevant Pricing Supplement. Dematerialised Notes shall be issued in one Specified Denomination only.
- (c) **Title:**
  - (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered dematerialised form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered dematerialised form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Registration Agent.
  - (ii) Title to Definitive Materialised Notes and Receipts, Coupons and Talons shall pass by delivery.
  - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
  - (iv) In these Conditions, “**holder**” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any definitive Materialised Note and the Receipt, Coupon or Talon relating to it, and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.
- (d) **Redenomination:**
  - (v) The Issuer may (if so specified in the relevant Pricing Supplement), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 14 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the third stage (or any further stage) of the European Economic and Monetary Union (as provided in the

Treaty establishing the European Community (the “**EC**”, as amended from time to time (the “**Treaty**”)) or events have occurred which have substantially the same effects (in either case, “**EMU**”), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Pricing Supplement accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “**Redenomination Date**”.

- (vi) Unless otherwise specified in the relevant Pricing Supplement, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123L (4) of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to holders of Notes in accordance with Condition 14. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euros on the Redenomination Date in the manner notified to holders of Notes by the Issuer.
- (vii) In the case of Dematerialised Notes only, the Issuer may also redenominate all, but not some only, of the Notes of any Series into Euro in accordance with Article L.113-4 of the French *Code monétaire et financier* provided that references to the Franc or the ECU contained in such Article L.113-4 shall be deemed to be references to the currency of any Member State participating in the third stage of the European Economic and Monetary Union.
- (viii) Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.
- (ix) Unless otherwise specified in the relevant Pricing Supplement, the Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 13, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 13 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to holders of Notes in accordance with Condition 14 as soon as practicable thereafter.
- (x) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euros or any currency conversion or rounding effected in connection therewith.

## 2 Conversions and Exchanges of Notes

### (a) Dematerialised Notes

- (xi) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted for Dematerialised Notes in registered dematerialised form, whether in fully registered dematerialised form (*au nominatif pur*) or in administered registered dematerialised form, (*au nominatif administré*).
- (xii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted for Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (xiii) Dematerialised Notes issued in fully registered dematerialised form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered dematerialised form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article 4 of Decree no. 83-359 of 2 May 1983. Any such conversion shall be effected at the cost of such holder.

### (b) Materialised Notes

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

## 3 Status

The Notes and, where applicable, any Receipts and Coupons relating to them constitute direct, unconditional and, pursuant to the provisions of Condition 4, privileged obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (the “**Privilège**”) created by Article L.515-19 of the French *Code monétaire et financier* as described in Condition 4.

## 4 Privilège

- (a) The Notes benefit from the *Privilège* (priority right of payment) created by Article L.515-19 of the French *Code monétaire et financier*.
- (b) Pursuant to Article L.515-19 of the French *Code monétaire et financier*, all amounts payable to the Issuer in respect of loans and securities referred to in Article L.515-14 to L.515-17 of the French *Code monétaire et financier* and the forward financial instruments referred to in Article L.515-18 of the French *Code monétaire et financier* (in each case after any applicable netting), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of any sums due in respect of the *obligations foncières* issued by the Issuer and any other resources raised by the Issuer pursuant to the *Privilège* (including Other Privileged Notes).

It should be noted that not only Notes benefit from the *Privilège*; other resources (such as loans) and derivative transactions for hedging Notes and such other resources may also benefit from the *Privilège*.

- (c) Article L.515-19 of the French *Code monétaire et financier* provides that, notwithstanding any legislative provisions to the contrary and in particular those contained in the French *Code of Commerce* (relating to the prevention and amicable settlement of business difficulties and to the judicial administration and liquidation of companies), the amounts due regularly under *obligations foncières* and any other resources benefiting from the *Privilège* (including the Other Privileged Notes), are paid on their contractual due date, and in priority to all other debts,

whether or not preferred, including interest resulting from agreements whatever their duration. Accordingly, until all creditors benefiting from the *Privilège* have been fully paid, no other creditor of the Issuer may exercise any right over the assets and rights of the Issuer.

## 5 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (xiv) in the case of Euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”) and/or
- (xv) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency and/or
- (xvi) in the case of a Specified Currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (xvii) if “**Actual/365 - FBF**” is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual /365 - FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366
- (xviii) if “**Actual/Actual**” is specified in the relevant Pricing Supplement in respect of each calculation, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period).
- (xix) if “**Actual/Actual-ISMA**” is specified in the relevant Pricing Supplement,
  - if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - if the Calculation Period is longer than one Determination Period, the sum of:
    - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where



“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date specified hereon or, if none is specified, the Interest Payment Date.

- (xx) if “**Actual/365 (Fixed)**” is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365
- (xxi) if “**Actual/360**” is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed **during** the Calculation Period and whose denominator is 360
- (xxii) if “**30/360**” or “**Actual 30A/360 (American Bond Basis)**” is specified in the relevant Pricing Supplement

in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360, subject to the following exception:

where the last day of this period is the 31<sup>st</sup> and the first day is neither the 30<sup>th</sup> nor the 31<sup>st</sup>, the last month of the period shall be deemed to be a month of 31 days. Using the previous notation as with 30E/360 the fraction is:

If  $dd2 = 31$  and  $dd1 \neq (30,31)$

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)]$$

and

- (xxiii) if “**30E/360**” (“**Eurobond Basis**”) is specified in the relevant Pricing Supplement, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising 12 months of 30 days, subject to the following exception:

if the last day of the period is the last day of the month of February, the number of days elapsed during such month shall be taken as the actual number of days.

Where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

The fraction is:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)]$$

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Pricing Supplement or, if none is

so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**FBF Definitions**” means the definitions set out in the FBF Master Agreement, unless otherwise specified in the relevant Pricing Supplement

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Pricing Supplement

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Pricing Supplement or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in Paris for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro

“**Interest Payment Date**” means the date(s) specified in the relevant Pricing Supplement

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, unless otherwise specified in the relevant Pricing Supplement

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the relevant Pricing Supplement

“**Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 (“**Reuters**”) and Moneyline Telerate (“**Moneyline Telerate**”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate, subject to amendment in respect of Paris listed Notes, as disclosed in the Pricing Supplement.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of the relevant Pricing Supplement

“**Reference Banks**” means the institutions specified as such in the relevant Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone)

“**Relevant Financial Centre**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Pricing Supplement or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, Paris

“**Relevant Date**” means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation

“**Relevant Rate**” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose “local time” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 a.m, Brussels time.

“**Representative Amount**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Pricing Supplement or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time

“**Specified Currency**” means the currency specified as such in the relevant Pricing Supplement or, if none is specified, the currency in which the Notes are denominated

“**Specified Duration**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Pricing Supplement or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii)

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereto.

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Pricing Supplement.

- (c) **Interest on Floating Rate Notes and Index Linked Interest Notes:**

(xxiv) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment

Date(s) is/are either shown in the relevant Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (xxv) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be carried forward to the following Business Day, (B) the Following Business Day except the Following Month Convention, such date shall be carried forward to the following day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be carried back to the previous Business Day or (C) the Preceding Business Day Convention, such date shall be carried back to the previous Business Day.
- (xxvi) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement and the provisions below relating to either FBF Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Pricing Supplement.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate. For the purposes of this sub-paragraph (A), “**FBF Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Pricing Supplement and
- (b) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Pricing Supplement

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Determination Date (*Date de Détermination du Taux Variable*)” and “Transaction” have the meanings given to those terms in the FBF Definitions, provided that “Euribor” means the rate calculated for deposits in Euro which appears on Telerate Page 248, as more fully described in the relevant Pricing Supplement.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the primary source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
- (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
  - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,
- in each case appearing on such Page at the Relevant Time on the Interest Determination Date, subject to amendment in respect of Paris Listed Notes, as disclosed in the Pricing Supplement.
- (b) if the primary source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(xxvii) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement and interest will accrue by reference to an Index or Formula as specified in the relevant Pricing Supplement.

- (a) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date pursuant to an Issuer's Option or, if so specified in the relevant Pricing Supplement, pursuant to Condition 6(e) or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall, unless otherwise provided in the relevant Pricing Supplement, be the Early Redemption Amount. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(d)(i)).
- (b) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Pricing Supplement.
- (c) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Pricing Supplement.
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (e) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:**
  - (i) If any Margin or Rate Multiplier is specified in the relevant Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph
  - (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

- (f) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (h) **Calculation Agent and Reference Banks:** The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Pricing Supplement and for so long as any Note is outstanding (as defined in the Amended and Restated Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in

these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

For the purpose of these Conditions, “**outstanding**” means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer dematerialised form and in administered registered dematerialised form, to the relevant Account Holder on behalf of the holder of Notes, (ii) in the case of Dematerialised Notes in fully registered dematerialised form, to the account of the holder of Notes and (iii) in the case of Materialised Notes, to the Fiscal Agent and remain available for payment against presentation and surrender of Bearer Materialised Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Bearer Materialised Notes that have been surrendered in exchange for replacement Bearer Materialised Notes, (ii) (for the purpose only of determining how many such Bearer Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Bearer Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more definitive Bearer Materialised Notes, pursuant to its provisions.

## **6 Redemption, Purchase and Options**

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer’s option in accordance with Condition 6(c), each Note shall be finally redeemed on the Maturity Date specified in the relevant Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments and Final Redemption:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Pricing Supplement) is extended pursuant to any Issuer’s option in accordance with Condition 6(c) or (d) as specified in the relevant Pricing Supplement, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on



each Instalment Date at the related Instalment Amount specified in the relevant Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 14 to the holders of Notes (or such other notice period as may be specified in the relevant Pricing Supplement) redeem, or exercise any Issuer's option (as may be described) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed as specified in the relevant Pricing Supplement and no greater than the maximum nominal amount to be redeemed as specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption of, or a partial exercise of an Issuer's option in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article 9 of Decree no. 83-359 of 2 May 1983 and the provisions of the relevant Pricing Supplement, subject to compliance with any other applicable laws and stock exchange requirements.

So long as the Notes are listed on the Luxembourg Stock Exchange and the rules applicable to that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Materialised Notes, drawn for redemption but not surrendered.

- (d) **Early Redemption:**

(v) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(e) if so specified in the relevant Pricing

Supplement shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Pricing Supplement.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, unless otherwise provided in the relevant Pricing Supplement, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(e) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Pricing Supplement.

- (vi) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note, if so provided in the Relevant Pricing Supplement pursuant to Condition 6(e), shall be the Final Redemption Amount unless otherwise specified in the relevant Pricing Supplement.
- (e) **Redemption for Taxation Reasons:** Unless otherwise specified in the relevant Pricing Supplement, if French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, such Notes may be redeemed early.
- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Pricing Supplement.
- (g) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer must be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the Definitive Materialised Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so

cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

## 7 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (in the case of Dematerialised Notes in fully registered dematerialised form), to an account denominated in the relevant currency with a Bank designated by the relevant holder of Notes. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Notes:** Payments of principal and interest in respect of Materialised Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Materialised Note), Materialised Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to Condition 8. No commission or expenses shall be charged to the holders of Notes or Coupons in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Offering Circular relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any holder of Note or Coupon. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including Paris so long as the Notes are listed on Euronext Paris so long as the rules applicable to that stock exchange so require, Luxembourg so long as the Notes are listed on

the Luxembourg Stock Exchange and Frankfurt so long as the Notes are listed on the Frankfurt Stock Exchange) (v), in the case of Dematerialised Notes in fully registered form, a Registration Agent and (vi) such other agents as may be required by the rules applicable to any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 13, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 14.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (xxviii) Unless Materialised Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (xxix) If Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (xxx) Upon the due date for redemption of any Materialised Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (xxxi) Upon the due date for redemption of any Materialised Note that is redeemable in instalments, all Receipts relating to such Materialised Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (xxxii) Where any Materialised Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Materialised Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (xxxiii) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant definitive Materialised Note. Interest accrued on a Materialised Note that only bears interest after its Maturity Date

shall be payable on redemption of such Materialised Note against presentation (and surrender if appropriate) of the relevant definitive Materialised Note.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Business Days for payment:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Pricing Supplement, nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) in such jurisdictions as shall be specified as “**Financial Centres**” in the relevant Pricing Supplement and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET Business Day.
- (i) **Bank:** For the purpose of this Condition 7, “**Bank**” means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

## 8 Taxation

- (a) **Tax exemption for *Obligations Foncières* issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes constituting *Obligations Foncières* which, as may be specified in the relevant Pricing Supplement are being issued or deemed to be issued outside the Republic of France, benefit from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (French general tax code) from deduction of tax at source. Accordingly such payments do not give the right to any tax credit from any French source.  
  
*As to the meaning of the expression “issued or deemed to be issued outside the Republic of France” see “Summary of the Programme - Taxation” above.*
- (b) **No Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note constituting *Obligations Foncières*, or any Receipt or Coupon relating thereto, be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will not be required to pay any additional amounts in respect of any such deduction or withholding.
- (c) **Tax exemption for *Obligations Foncières* not issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes constituting *Obligations Foncières* which, as may be specified in the relevant Pricing Supplement, are not being issued or deemed to be issued outside the Republic of France (within the meaning of Article 131 *quater* of the *Code Général des Impôts*) only benefit from the exemption from deduction of tax at source provided by, and subject to, the provisions of Article 125 A III of the *Code Général des Impôts*, which requires, *inter alia*, certification of non-residency as further provided in paragraph (d) below.
- (d) **Certification of non-residency in France:** for the purposes of paragraph 8 (c) above, the holder of any Note, Receipt or Coupon shall be responsible for supplying certification of non-residency

(a form of which shall be available at the specified offices of any of the Paying Agents or in such other form as may be required by the French tax authorities from time to time) to the Issuer or any Paying Agent in accordance with the provisions of Article 125 A III of the *Code Général des Impôts*, and the Issuer shall not be responsible for any deduction or withholding in respect of any payment made under any Note, Receipt or Coupon resulting from the failure of such holder to submit such certification.

- (e) **Taxation of Other Privileged Notes:** The tax regime applicable to Other Privileged Notes will be set out in the relevant Pricing Supplement.

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Representation of holders of Notes

Except as otherwise provided by the relevant Pricing Supplement, holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the “**Masse**”).

The Masse will be governed by the provisions of the French *Code of Commerce* with the exception of Articles L.228-47, L.228-48 and L.228-59 and by the decree no. 67-236 of 23 March 1967, with the exception of Articles 218, 222 and 224 subject to the following provisions:

### (a) Legal Personality

The Masse will be a separate legal entity and will act in part through one or two representatives (each a “**Representative**”) and in part through a general meeting of the holders of Notes (the “**General Meeting**”).

The Masse alone, to the exclusion of all individual holders of Notes, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

### (b) Representatives

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- (xxxiv) the Issuer, the members of its Board of Directors (*conseil d'administration*), its statutory auditors, its employees and their ascendants, descendants and spouses; or
- (xxxv) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors, Executive Board or Supervisory Board, their statutory auditors, employees and their ascendants, descendants and spouses; or
- (xxxvi) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representatives and their alternates will be set out in the Pricing Supplement.

The remuneration of each Representative, and date(s) of payment thereof, will be set out in the relevant Pricing Supplement.

In the event of death, retirement or revocation of appointment of one or both Representatives, such Representative(s) will be replaced by one or both Representatives, as the case may be. In the event of the death, retirement or revocation of appointment of one or both alternate Representatives, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representatives and the alternate Representatives at the head office of the Issuer and the specified offices of any of the Paying Agents.

(c) **Powers of Representative**

The Representatives, acting jointly or separately, shall, in the absence of any decision to the contrary of the General Meeting and except as provided by paragraph 1 of Article L.515-31 of the French *Code monétaire et financier*, have the power to take all acts of management necessary in order to defend the common interests of the holders of Notes.

All legal proceedings against the holders of Notes or initiated by them, must be brought by or against the Representatives; except that, should judicial reorganisation or liquidation (*redressement judiciaire* or *liquidation judiciaire*) proceedings be commenced against the Issuer, the specific controller would file the proof of debt of all creditors (including the holders of Notes) of the Issuer benefiting from the *Privilège*.

The Representatives may not be involved in the management of the affairs of the Issuer.

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representatives. One or more holders of Notes, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representatives a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the holders of Notes may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 14.

Each holder of a Note has the right to participate in a General Meeting in person, by proxy, correspondence or, if the *statuts* of the Issuer so specify<sup>1</sup>, videoconference or any other means of telecommunication allowing the identification of the participating Noteholders. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) **Powers of the General Meetings**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representatives and the alternate Representatives and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representatives to act at law as plaintiff or defendant.

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<sup>1</sup> At the date of this Offering Circular the *statuts* of the Issuer do not contemplate the right for a holder of a Note to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by holders of Notes, nor authorise or accept a postponement of the date of payment of interest on or a modification of the terms of repayment of or the rate of interest on the Notes, nor establish any unequal treatment between the holders of Notes nor decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if holders of Notes present or represented hold at least a quarter of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by holders of Notes attending such General Meetings or represented thereat.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 14.

(f) **Information to holders of Notes**

Each holder of a Note or representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant holders of Notes at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(g) **Expenses**

The Issuer will pay all expenses relating to the operation of the Masse (including those incurred by the Representatives in the proper performance of their functions and duties), and those relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representatives appointed in respect of the first Tranche of any Series of Notes will be the Representatives of the single Masse of all Tranches in such Series.

## **11 Modifications**

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

## **12 Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

If, in the case of any Materialised Notes, a definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to holders of Notes, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed definitive Materialised Note, Receipt, Coupon or Talon is



subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

### 13 Further Issues and Consolidation

- (a) **Further Issues:** The Issuer may from time to time without the consent of the holders of Notes, Receipts or Coupons create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest specified in the relevant Pricing Supplement) and that the terms of such Notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days’ prior notice to the holders of Notes in accordance with Condition 14, without the consent of the holders of Notes, Receipts or Coupons, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

### 14 Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*). Provided that, so long as such Notes are listed on any stock exchange(s) and that the rules applicable to that stock exchange(s) require such publication, notices shall be valid if published in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed is located which (x) in the case of Euronext Paris, such notice shall be published in a leading daily economic and financial newspaper which is expected to be *La Tribune* or *Les Echos*, (y) in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort* and (z) in the case of the Frankfurt Stock Exchange, is expected to be the *Börsen-Zeitung*.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form shall be valid if published in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*). Provided that, so long as such Notes are listed on any stock exchange(s) and the rules applicable to that stock exchange(s) so require, notices shall be valid if published in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed is located which (i) in the case of Euronext Paris, such notice shall be published in a leading daily economic and financial newspaper which is expected to be *La Tribune* or *Les Echos*, (ii) in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort* and (iii) in the case of the Frankfurt Stock Exchange, is expected to be the *Börsen-Zeitung*.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Holders of

coupons shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to the Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a), (b), (c) above; except that (i) so long as such Notes are listed on any stock exchange(s) and the rules applicable to that stock exchange(s) so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed is located and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 10 shall also be published in a leading daily newspaper of general circulation in Europe

## **15 Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court in Paris.