

PROSPECTUS SUPPLEMENT N° 3 DATED 15 MAY 2014
TO THE BASE PROSPECTUS DATED 14 JUNE 2013



CRÉDIT MUTUEL ARKÉA HOME LOANS SFH
(duly licensed French specialised credit institution)

€10,000,000,000
COVERED BOND PROGRAMME
FOR THE ISSUE OF OBLIGATIONS DE FINANCEMENT DE L'HABITAT

This supplement (the "**Third Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 14 June 2013 (the "**Base Prospectus**"), the supplement dated 27 June 2013 (the "**First Supplement**"), and the supplement dated 2 September 2013 (the "**Second Supplement**") prepared with respect to the €10,000,000,000 Covered Bond Programme (the "**Programme**") for the issue, from time to time, subject to compliance with all relevant laws, regulations and directives, of covered bonds (the "**Covered Bonds**") by Crédit Mutuel Arkéa Home Loans SFH (the "**Issuer**"). Unless the context otherwise requires, terms defined in the Base Prospectus have the same meaning when used in this Third Supplement.

On 14 June 2013, the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") approved the Base Prospectus as a base prospectus for the purposes of article 5.4 of Directive 2003/71/EC of 4 November 2003, as amended (the "**Prospectus Directive**") in its capacity as competent authority in Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005, as amended, which implements the Prospectus Directive in Luxembourg (the "**Luxembourg Law**").

Application has been made to the CSSF for approval of this Third Supplement as a supplement to the Base Prospectus for the purposes of article 16 of the Prospectus Directive and article 13 of Luxembourg Law.

This Third Supplement has been produced for the purposes of :

- taking into account the entry into force under French law of the Ordinance N° 2013-544 dated 27 June 2013 relating to credit institutions and financing company (*relative aux établissements de crédit et aux sociétés de financement*) and the Law N° 2013-672 dated 26 July 2013 on the separation and regulation of banking activities (*loi de séparation et de régulation des activités bancaires*);
- supplementing the section "DOCUMENTS INCORPORATED BY REFERENCE" on page 39 *et seq.* of the Base Prospectus;
- supplementing the section "THE BORROWER AND THE BORROWER FACILITY AGREEMENT" on page 105 *et seq.* of the Base Prospectus.

TABLE OF CONTENTS

CHANGES TO THE BASE PROSPECTUS IN ACCORDANCE WITH THE ORDINANCE N° 2013-544 AND THE LAW N° 2013-672	3
DOCUMENTS INCORPORATED BY REFERENCE	5
THE BORROWER AND THE BORROWER FACILITY AGREEMENT	6

**CHANGES TO THE BASE PROSPECTUS IN ACCORDANCE WITH THE ORDINANCE N° 2013-544 AND
THE LAW N° 2013-672**

- 1 Pursuant to the Law N° 2013-672 of 26 July 2013 on the separation and regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) the "Autorité de contrôle prudentiel" became the "Autorité de contrôle prudentiel et de résolution". Accordingly, in the Base Prospectus, the references to the "Autorité de contrôle prudentiel" or the "ACP" on pages 1; 7; 15; 21; 73; 77; 80; 82; 83; 84; 86; 88; 89; 92; 93; 106; 129 and 130 shall be deemed to be a reference to the "Autorité de contrôle prudentiel et de résolution" or the "ACPR".
- 2 As a result of the entry into force under French law on 1st January 2014 of the Ordinance N° 2013-544 dated 27 June 2013 relating to credit institutions and financing company (*relative aux établissements de crédit et aux sociétés de financement*):
- (a) *sociétés de financement de l'habitat* became automatically "specialised credit institutions (*établissements de crédit spécialisés*)" instead of "credit institution (*établissement de crédit*) licensed as a financial company (*société financière*)". As a result, the reference in the Base Prospectus to "credit institution (*établissement de crédit*) with the status of a financial company (*société financière*)" on page 77 and the references to "credit institution (*établissement de crédit*)" relating to the Issuer on pages 1; 7 and 92 shall be read as a reference to "specialised credit institution (*établissement de crédit spécialisé*)".
- (b) the legal provisions of the French Monetary and Financial Code (*Code monétaire et financier*) relating to *sociétés de crédit foncier* (Articles L. 515-13 to L. 515-33) and to *sociétés de financement de l'habitat* (Articles L. 515-34 to L. 515-39) were renumbered respectively as Articles L. 513-2 to L. 513-27 and Articles L. 513-28 to L. 513-33. Accordingly, in the Base Prospectus, any reference to a provision of the Monetary and Financial Code referred to in the left hand column of the table below shall be deemed to be a reference to the corresponding provisions set out in the right hand column of the table below:

Concordance table		Affected sections and relevant pages
Former numbering	New numbering	
Article L. 515-13	Article L. 513-2	Introduction: page 1
Article L. 515-14	Article L. 513-3	"GENERAL DESCRIPTION OF THE PROGRAMME": pages 7; 8 and 15
Article L. 515-15	Article L. 513-4	
Article L. 515-16	Article L. 513-5	
Article L. 515-16-1	Article L. 513-6	"RISK FACTORS": page 21
Article L. 515-17	Article L. 513-7	
Article L. 515-17-1	Article L. 513-8	
Article L. 515-17-2	Article L. 513-9	"TERMS AND CONDITIONS OF THE FRENCH LAW COVERED BONDS": pages 48; 68; 70; 71 and 73
Article L. 515-18	Article L. 513-10	
Article L. 515-19	Article L. 513-11	
Article L. 515-20	Article L. 513-12	
Article L. 515-21	Article L. 513-13	"THE ISSUER": pages 77 ; 78 ; 79 ; 80 ; 81 ; 82 ; 83 ; 84 ; 92 ; 93 ; 94 ; 96 ; 98
Article L. 515-21-1	Article L. 513-14	
Article L. 515-22	Article L. 513-15	
Article L. 515-23	Article L. 513-16	
Article L. 515-24	Article L. 513-17	"ASSET MONITORING": pages 129 and 130
Article L. 515-25	Article L. 513-18	
Article L. 515-26	Article L. 513-19	
Article L. 515-27	Article L. 513-20	"CASH FLOW": pages 142 and 143
Article L. 515-28	Article L. 515-21	
Article L. 515-29	Article L. 515-22	
Article L. 515-30	Article L. 513-23	"THE HEDGING STRATEGY": page 148
Article L. 515-31	Article L. 513-24	
Article L. 515-32	Article L. 513-25	

Article L. 515-32-1	Article L. 513-26	
Article L. 515-33	Article L. 513-27	
Article L. 515-34	Article L. 513-28	
Article L. 515-35	Article L. 513-29	
Article L. 515-36	Article L. 513-30	
Article L. 515-37	Article L. 513-31	
Article L. 515-38	Article L. 513-32	
Article L. 515-39	Article L. 513-33	

(c) the composition of the board of directors and management board have changed. Paragraphs "*The chairman and chief executive officer*", "*Board of directors (conseil d'administration)*" and "*Members of the board of directors (conseil d'administration)*" of section "*Issuer management bodies*" (page 90 to page 91) are deleted and replaced by the following paragraphs:

The chairman and chief executive officer

Mr. Dominique Andro, chairman of the board of directors (*président du conseil d'administration*), Mr. Hervé Crosnier, chief executive officer (*directeur général*) and Mr. Jean-Luc Le Pache, vice chief executive officer (*directeur général délégué*) are responsible for the conduct of the Issuer's activities vis-à-vis the French financial regulator in accordance with Article L. 511-13 of the French Monetary and Financial Code (*Code monétaire et financier*).

In accordance with French applicable corporate laws, each of the chief executive officer (*directeur général*) and the vice chief executive officer (*directeur général délégué*) represents the Issuer *vis-à-vis* third parties. The chairman of the board of directors (*président du conseil d'administration*) ensures the efficient functioning of the board of directors (*conseil d'administration*).

Board of directors (conseil d'administration)

The board of directors (*conseil d'administration*) consists of a minimum of three (3) members and a maximum of eighteen (18) members. The term of office is six (6) years.

Members of the board of directors (conseil d'administration)

On the Programme Date, the board of directors (*conseil d'administration*) consists of 7 (seven) members.

<u>Name and Position</u>	<u>Date of appointment</u>
Mr. Andro, Dominique Chairman of the board of directors	13 December 2013
Mr. Crosnier, Hervé Chief executive officer and representative of Crédit Mutuel Arkéa	13 December 2013
Mr. Le Pache, Jean-Luc Vice chief executive officer	13 December 2013
Mr. Cadiou, Christian Director	13 December 2013
Mr. Jacq, Auguste Director	6 November 2008
Mr. Morvan, Jérémy Director	28 April 2010
Mrs. Quéllec, Elisabeth Director	20 April 2011

The members of the board of directors (*conseil d'administration*) have their business addresses at the registered office of the Issuer.

Mr. Dominique Andro, Chairman of the board of directors is also Head of the Specialized Networks division (*Directeur du pôle Réseaux Spécialisés*) and vice chief executive officer (*Directeur général délégué*) of Crédit Mutuel Arkéa;

Mr. Hervé Crosnier, Chief executive officer of the Issuer, is also Head of Support and Development division (*Directeur du pôle Support et Développement*) and deputy chief executive officer (*Directeur général adjoint*) of Crédit Mutuel Arkéa;

Mr. Jean-Luc Le Pache, vice chief executive officer of the Issuer, is also deputy to deputy chief executive officer in charge of the Support and Development division (*Adjoint au directeur général adjoint chargé du pôle Support et Développement*) of Crédit Mutuel Arkéa;

Mrs. Elisabeth Quellec, Director, is also Head of Financial Management Control (*Directeur de la direction Pilotage Financier*) of Crédit Mutuel Arkéa;

Mr. Auguste Jacq, Director, is also Director (*Administrateur*) of Crédit Mutuel Arkéa;

Mr. Christian Cadiou, Director, is also member of the supervisory board (*conseil de surveillance*) of Arkéa Banque Entreprises et Institutionnels and member of the board of a *Caisse locale* (the *Caisse locale de Brest Bellevue-Quizac*).

DOCUMENTS INCORPORATED BY REFERENCE

The free translation into English of the financial statements of the Issuer as at, and for the year ended, 31 December 2013 together with the related notes (the "**2013 Financial Statements**") and the auditor's reports thereon (the "**2013 Auditors' Report**") and together with the 2013 Financial Statements the "**2013 Financial Information**") which have been filed with the CSSF for the purposes of Article 16 of the Prospectus Directive and Article 13 of the Luxembourg Law are incorporated in, and form part of, the Base Prospectus as supplemented.

The 2013 Financial Statements have been approved by the Boards of Directors of the Issuer dated 27 March 2014 and will be submitted to the approval of the *Assemblée Générale Ordinaire* of the Issuer on 15 May 2014.

The Issuer takes responsibility for the free translation of the 2013 Financial Information.

The information incorporated by reference in the Base Prospectus as supplemented by this Third Supplement shall be read in connection with the cross reference list below:

INFORMATION INCORPORATED BY REFERENCE (Annex IX of the European Regulation 809/2004/EC)	REFERENCE
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
11.1 Historical financial information	
2013 Financial Information	
Balance Sheet	Page 1 of the 2013 Financial Statements

Income Statements	Page 2 of the 2013 Financial Statements
Notes	Page 3 to 8 of the 2013 Financial Statements
Auditors' report relating to the above	2013 Auditors' report (separate document)

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the European Regulation (EC) N° 809/2004 of the Commission dated 29 April 2004, as amended.

THE BORROWER AND THE BORROWER FACILITY AGREEMENT

The section entitled "THE BORROWER AND THE BORROWER FACILITY AGREEMENT" of the Base Prospectus is modified as follows:

On page 105 of the Base Prospectus, the following sentence is added after the line 10 of the paragraph "*General information relating to Crédit Mutuel Arkéa*" of the subsection "The Borrower" :

On 29 April 2014, Standard & Poor's Ratings Services has affirmed its ratings on Crédit Mutuel Arkéa but revised the outlook from "stable" to "negative".

Copies of the Base Prospectus, the First Supplement, the Second Supplement, this Third Supplement and the 2013 Financial Information may be obtained, without charge on request, at the principal office of the Issuer and the Paying Agents set out at the end of the Base Prospectus during normal business hours so long as Covered Bonds are capable of being issued under the Programme. Such documents will also be published on the website of the Issuer (http://www.arkea.com/banque/assurance/credit/mutuel/ecb_5039/fr/home-loans-sfh) and on the website of the Luxembourg Stock Exchange (www.bourse.lu) at least during a period of twelve (12) months from the date of the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Third Supplement. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Third Supplement is in accordance with the facts and contains no omission likely to affect its import.

Save as disclosed in this Third Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus as supplemented by the First Supplement and the Second Supplement.

To the extent that there is any inconsistency between (a) any statement in this Third Supplement or any statement incorporated by reference into the Base Prospectus by this Third Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statement in (a) above shall prevail.

In accordance with article 16.2 of the Prospectus Directive and article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before first publication of this Third Supplement have the right, exercisable within a time limit of two (2) working days after the publication of this Third Supplement (*i.e.* until 19 May 2014 included), to withdraw their acceptances.