



CRÉDIT MUTUEL ARKÉA
€13,000,000,000
EURO MEDIUM TERM NOTE PROGRAMME

Under the Euro Medium Term Note Programme described in this Base Prospectus (the "**Programme**"), Crédit Mutuel Arkéa (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**").

The aggregate nominal amount of Notes outstanding will not at any time exceed €13,000,000,000 (or its equivalent in other currencies) at the date of issue.

The Notes may either be senior notes ("**Senior Notes**") or subordinated notes ("**Subordinated Notes**"). It is the intention of the Issuer that the Subordinated notes shall, for supervisory purposes, be treated as Tier 2 Capital (as defined below).

Application has been made to the Luxembourg Stock Exchange for Notes described in this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*). The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC, as amended, appearing on the list of regulated markets issued by the European Securities Markets Authority (the "**ESMA**") (each such market being a "**Regulated Market**"). However, Notes issued under the Programme may also be listed and admitted to trading on another Regulated Market of the European Economic Area ("**EEA**") and/or offered to the public in any Member State of the EEA, or may be unlisted.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority in Luxembourg for the purposes of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities (*loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*) as amended, for approval of this Base Prospectus. In accordance with the provisions of article 7 (7) of the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 as amended and which implements Directive 2003/71/EC dated 4 November 2003, as amended, the CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. The relevant Final Terms (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and/or offered to the public and, if so, the relevant Regulated Market(s) and/or the Member State(s) in the EEA where the Notes will be offered to the public.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein. Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 and R.211-1 *et seq.* of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes. Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination"), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached (the "**Definitive Materialised Notes**"), on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificate in respect of Materialised Notes") upon certification as to non-U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository for Euroclear and Clearstream, Luxembourg, and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the Relevant Dealer (as defined below). In the case of a Tranche which is not intended to be cleared notably through Euroclear and/or Clearstream, Luxembourg, the Notes of such Tranche cannot be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

Senior Notes (as defined in "Terms and Conditions of the Notes - Status") to be issued under the Programme are expected to be rated A/A-1 by Standard & Poor's Credit Market Services France SAS ("**S&P**"). Subordinated Notes (as defined in "Terms and Conditions of the Notes - Status") to be issued under the Programme are expected to be rated BBB by S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency. As at the date of this Base Prospectus, S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**") and included in the list of registered credit rating agencies published on the website of the ESMA (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

See "**Risk Factors**" below for certain information relevant to an investment in the Notes to be issued under the Programme.

ARRANGER
CRÉDIT AGRICOLE CIB

DEALERS

CRÉDIT AGRICOLE CIB
DZ BANK AG

CRÉDIT MUTUEL ARKÉA
J.P. MORGAN

This Base Prospectus (together with all supplements to the Base Prospectus from time to time), which contains all relevant information concerning the Issuer and the Issuer and its consolidated subsidiaries taken as a whole (the "Group" or "Crédit Mutuel Arkéa Group") as well as the base terms and conditions of the Notes to be issued under the Programme, constitutes a base prospectus for the purposes of article 5.4 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended from time to time (the "Prospectus Directive"). The terms and conditions applicable to each Tranche (as defined in "Terms and Conditions of the Notes") not contained herein (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.

This Base Prospectus is to be read in conjunction with any document and/or information which is or may be incorporated herein by reference in accordance with Article 15 of the *Loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 as amended implementing the Prospectus Directive in Luxembourg and Article 28 of the European Commission Regulation N°809/2004 dated 29 April 2004 as amended (see "Documents incorporated by Reference" below).

This Base Prospectus may only be used for the purposes for which it has been published.

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers (as defined in "General Description of the Programme"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of Materialised Notes in bearer form, delivered within the United States or, in the case of certain Materialised Notes in bearer form, to, or for the account or benefit of, United States persons as defined in the U.S. Internal Revenue Code of 1986, as amended. The Notes are being offered and sold outside of the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S"). By accessing the Base Prospectus, you represent that you are a non-U.S. person that is outside of the United States. This Base Prospectus is not for publication, release or distribution in the United States.

For a description of these and certain further restrictions on offers, sales and transfers of Notes and on distribution of this Base Prospectus, see "Subscription and Sale".

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other information supplied in connection with the Programme (including any information incorporated by reference) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the

information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or prospective investor in the Notes of any information that may come to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Tranche and sixty (60) days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "euro" or "EUR" are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam, references to "£", "pounds sterling" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "US Dollars" are to the lawful currency of the United States of America, references to "¥", "JPY" and "Japanese Yen" are to the lawful currency of Japan and references to "CHF" and "Swiss Francs" are to the lawful currency of Switzerland.

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PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

Crédit Mutuel Arkéa (the "**Responsible Person**") accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The Responsible Person furthermore declares that, any translation contained in this Base Prospectus is, to the best of its knowledge, a fair and true translation of the original version.

Crédit Mutuel Arkéa

1, rue Louis Lichou
29480 Le Relecq Kerhuon
France

SUMMARY OF THE PROGRAMME

Disclaimer:

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in sections A —E (A.1 —E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and warnings

A.1	General disclaimer regarding the summary	<p>This summary should be read as introduction to the Base Prospectus. Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such Notes.</p>
A.2	Information regarding consent by the Issuer to the use of the Base Prospectus	<p>[Not Applicable. There is no consent given by the Issuer to use the Base Prospectus.]/[The Issuer consents to the use of the Base Prospectus in connection with any offer that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive (a "Non-exempt Offer"), subject to the following conditions:</p> <p>(i) the consent is only valid during the period from [[●] until [●]/[the Issue Date]/[The date which falls [●] Business Day thereafter]] (the "Offer Period");</p> <p>(ii) the only offerors authorised to use the Base Prospectus to make the Non-exempt Offer of the Notes are the relevant [Managers] and[(i) [●] [and [●]] (<i>specify the name and address of any financial intermediary</i>) and/or (ii) if the Issuer appoints additional financial intermediaries after [●] (<i>being the date of the Final Terms</i>) and shall have published details of them on its website (http://www.arkea.com/banque/assurance/credit/mutuel/ecb_5008/fr/analyste-ou-investisseur), each financial intermediary whose details are so published]/[[and] any financial intermediary which is authorised to make such an offer under the applicable legislation implanting the Markets in Financial Instruments Directive (Directive 2004/39/EC), as amended, which acknowledges on its website that it is relying on the Base Prospectus to offer the Notes during the Offer Period (the "Authorised Offeror[s]"); [and]</p> <p>(iii) the consent only extends to the use of the Base Prospectus to make Non-exempt Offers of the Notes in France and/or the Grand Duchy of Luxembourg (the "Non-exempt Offer Jurisdiction[s]") (<i>specify the Member State[s] for which the consent was given</i>);</p> <p>(iv) the consent relates to Offer Periods (if any) beginning within twelve (12) months from the date of the approval of the Base Prospectus by the CSSF; [and]</p>

		<p>[(v) the consent is subject to the following other condition[s]: [●].]</p> <p>Any Authorised Offeror, falling within sub-paragraph (ii) above who meets all of the other conditions stated above and wishes to use the Base Prospectus in connection with a Non-exempt Offer is required, during the Offer Period, to publish on its website that it is relying on the Base Prospectus for such Non-exempt Offer with the consent of the Issuer.</p> <p>An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements (the "Terms and Conditions of the Non-exempt Offer"). The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Non-exempt Offer shall be published by that Authorised Offeror on its website at the relevant time. None of the Issuer, any of the Dealers or other Authorised Offerors has, or takes any responsibility or liability for such information.]</p>
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<i>Section B – Issuer</i>		
B.1	Legal and commercial name of the Issuer	Crédit Mutuel Arkéa (the "Issuer")
B.2	Domicile/ Legal form/ Legislation/ Country of incorporation	<p>The Issuer is incorporated in France under French law as a "<i>Société anonyme coopérative de crédit à capital variable</i>" (Cooperative limited liability company with variable share capital). It is governed by the following French laws and regulations:</p> <ul style="list-style-type: none"> - the law dated 10 September 1947 regulating cooperative companies; - Articles L.231-1 to L.231-8 of the French <i>Code de commerce</i> on variable capital; - the provisions of the French <i>Code de commerce</i> on commercial companies; - the provisions of the French <i>Code monétaire et financier</i> on the activity and control of credit institutions; - Articles L.512-55 to L.512-59 of the French <i>Code monétaire et financier</i> and all laws related to Crédit Mutuel; - the provisions of its by-laws and internal regulations. <p>The Issuer's domicile is at 1, rue Louis Lichou, 29480 Le Relecq Kerhuon, France.</p>
B.4b	Known trends	<p>Launch of new "Arkéa 2020" strategic business plan</p> <p>Picking up where "Horizons 2015" left off, this new plan seeks to strengthen the group's positioning as the "Banking and insurance entrepreneur", with the following objectives:</p> <ul style="list-style-type: none"> - launch a new retail banking concept that combines the best of brick-and-mortar and online banking, based on a "financial coaching" approach; - strengthen its role as the go-to partner in its home regions and supporter of digital entrepreneurship; - develop its banking and insurance products and services through partnerships or even acquisitions of niche players; - continue its strategy of provider of banking services on behalf of third parties, a unique positioning in France and the euro zone. <p>This overall approach is accompanied by the group's strong commitment to sustainable development, notably the energy transition, circular economy, sharing economy and societal entrepreneurship.</p>

		<p>Company's acquisition since the publication of its most recent verified financial statements</p> <p>On 6 June 2016, Crédit Mutuel Arkéa announced the finalisation of the acquisition of Keytrade Bank, the online banking leader in Belgium and a former subsidiary of Crelan, the Belgian cooperative banking group.</p>																								
B.5	Description of the Group	A cooperative banking and insurance company, Crédit Mutuel Arkéa Group comprises the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel du Massif Central federations as well as approximately twenty (20) specialized subsidiaries, which cover all of the business lines in the financial area.																								
B.9	Profit forecast or estimate	Not applicable. There is no profit forecast or estimate.																								
B.10	Audit report qualifications	Not applicable. The statutory auditors' reports on the consolidated financial statements for each of the two financial years ended on 31 December 2014 and 31 December 2015 do not contain any qualification.																								
B.12	Selected historical key financial information	<p>Consolidated Financial information (<i>in millions of euros</i>)</p> <table border="1"> <thead> <tr> <th></th> <th>31 December 2014</th> <th>31 December 2015</th> </tr> </thead> <tbody> <tr> <td>Share capital and reserves</td> <td>2,216.9</td> <td>2,202.6</td> </tr> <tr> <td>Consolidated reserves</td> <td>2,752.7</td> <td>2,980.8</td> </tr> <tr> <td>Net Income</td> <td>269.5</td> <td>296.3</td> </tr> <tr> <td>Total shareholders' equity</td> <td>5,468.3</td> <td>5,776.3</td> </tr> <tr> <td>Long-medium and short term debt*</td> <td>15,575.9</td> <td>14,161.8</td> </tr> <tr> <td>*comprising subordinated debts</td> <td>382.1</td> <td>382</td> </tr> <tr> <td>debenture loans (gross value)</td> <td>11,126.7</td> <td>10,287.3</td> </tr> </tbody> </table> <p>There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2015.</p> <p>There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2015.</p>		31 December 2014	31 December 2015	Share capital and reserves	2,216.9	2,202.6	Consolidated reserves	2,752.7	2,980.8	Net Income	269.5	296.3	Total shareholders' equity	5,468.3	5,776.3	Long-medium and short term debt*	15,575.9	14,161.8	*comprising subordinated debts	382.1	382	debenture loans (gross value)	11,126.7	10,287.3
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B.13	Recent events impacting the Issuer's solvency	Not applicable. There are no recent events impacting the Issuer's solvency.																								
B.14	Dependance upon other Group entities	Not applicable. The Issuer is not dependent upon other entities of the Group.																								
B.15	Principal activities	<p>As a producer and distributor, Crédit Mutuel Arkéa can offer its clients – including individuals and entities in the economic, social and institutional areas – a comprehensive line of banking, financial, asset management and insurance products and services, among others. The Group also stands apart through its development of private label banking services on behalf of other financial institutions and payments providers.</p> <p>A cooperative and mutual banking institution, Crédit Mutuel Arkéa is not listed on the stock exchange. It is owned by its customer shareholders, who are both shareholders and customers. The Group, which combines a strong financial position and long-term growth strategy, thereby puts its performance to work on behalf of the real economy and the projects of its 3.6 million customers.</p>																								
B.16	Major shareholders	Crédit Mutuel Arkéa's capital is owned by the local savings banks (<i>Caisses Locales</i>) of the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations. None of these local savings banks hold more than 5% of the capital of Crédit Mutuel Arkéa. No agreement exists that is likely to result in a change of control in the company.																								

B.17	Solicited credit ratings	<p>Senior Notes to be issued under the Programme are expected to be rated A/A-1 by Standard & Poor's Credit Market Services France SAS ("S&P"). Subordinated Notes to be issued under the Programme are expected to be rated BBB by S&P.</p> <p>As at the date of this Base Prospectus, S&P is established in the European Union, registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "CRA Regulation") and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk).</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.</p>
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Section C – Securities		
C.1	Type and Class of Notes/ ISIN	<p>The Notes are [Fixed Rate]/[Fixed Rate Resettable Notes]/[Floating Rate]/[Zero Coupon]/[CMS Linked]/[Fixed/Floating Rate]/[Range Accrual]/[Inverse Floating Rate]/[Inverse CMS Rate] Notes.</p> <p>The ISIN code of the Notes is: [●].</p> <p>The common code of the Notes is: [●].</p>
C.2	Currency	<p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Japanese Yen, Swiss francs, Sterling and in any other currency agreed between the Issuer and the relevant Dealer(s).</p> <p>The Notes are denominated in [●].</p>
C.5	Transferability	<p>Not applicable. There is no restriction on the free transferability of the Notes (subject to the applicable selling restrictions in various jurisdictions).</p>
C.8	Rights attached to the Notes including ranking and limitations to those rights	<p>Please also refer to the information provided in item C.9 below with respect to the right to receive interest payments and redemption at par on the maturity date.</p> <p>Status of the Notes</p> <p>Notes may either be senior Notes ("Senior Notes") or subordinated Notes ("Subordinated Notes"). It is the intention of the Issuer that the Subordinated Notes shall, for supervisory purposes, be treated as Tier 2 Capital.</p> <p>where:</p> <p>"Applicable Banking Regulations" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in France including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of, and as applied by, the Relevant Regulator;</p> <p>"Relevant Regulator" means the European Central Bank and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer; and</p> <p>"Tier 2 Capital" means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time for the purposes of the Issuer.</p> <p>The Notes are [Senior] / [Subordinated] Notes.</p> <p>[Senior Notes</p> <p>The Senior Notes will constitute unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves and save for such exceptions as may be provided by applicable legislation and subject to the negative pledge provision described below, shall rank at least equally with all other unsecured and unsubordinated indebtedness and</p>

monetary obligations of the Issuer, present or future.]

[Subordinated Notes

The Subordinated Notes (being those Notes which the applicable Final Terms specify as being Subordinated Notes) are issued pursuant to the provisions of Article L. 228-97 of the *French Code de commerce*.

The Subordinated Notes, where applicable, any Coupon relating to them, constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any present or future obligations or capital instruments of the Issuer which constitute Tier 2 Capital of the Issuer and (b) any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank equally with the Subordinated Notes;
- (iii) senior to any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*);
- (iv) junior to (a) any present and future unsubordinated creditors (including depositors) of the Issuer and (b) any present or future subordinated creditors of the Issuer other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes in respect of such Subordinated Notes and including, where applicable, the Coupons relating to them, shall be subordinated to the payment in full of all unsubordinated creditors (including depositors) and subordinated creditors of the Issuer other than the present or future claims of creditors ranking *pari passu* with or junior to the Subordinated Notes, as aforesaid, and, subject to such payment in full, the holders of the Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

In the event of incomplete payment of unsubordinated creditors and subordinated claims ranking ahead of the claims of holders of Subordinated Notes and including, where applicable, the Coupons relating to them, the obligations of the Issuer in connection with the Subordinated Notes will be terminated.

If an insolvency proceeding or voluntary liquidation applies to the Issuer, the holders of the Subordinated Notes and including, where applicable, the Coupons relating to them, shall be responsible for taking all steps necessary to preserve the rights they may have against the Issuer.]

Negative pledge

[Senior Notes

The Issuer will undertake not to grant any security in respect of any other bond or similar indebtedness issued or guaranteed by it without granting similar security to any outstanding Senior Notes.]

[Subordinated Notes

There is no negative pledge in respect of Subordinated Notes.]

Events of default

[Senior Notes

The Notes may become due and payable at their principal amount together with any accrued interest thereon:

- (a) if the Issuer is in default in the payment of principal of, or interest on, any Note (under certain conditions),
- (b) if the Issuer is in default in the performance of any

		<p>of its other obligations under the Notes (under certain conditions), (c) if any other present or future indebtedness for borrowed monies of the Issuer in excess of €5,000,000 (or its equivalent in any other currency), whether individually or collectively, becomes or becomes capable of being declared due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due or, as the case may be, within any originally applicable grace period therefor or any steps shall be taken to enforce any security in respect of any such indebtedness or any guarantee or indemnity given by the Issuer for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon, (d) in case the Issuer makes any proposal for a general moratorium in relation to its debt or a judgement is issued for the judicial liquidation (<i>liquidation judiciaire</i>) or the transfer of the whole of the business (<i>cession totale de l'entreprise</i>) of the Issuer or if the Issuer is subject to any other insolvency or bankruptcy proceedings or enters into a composition with its creditors, in each case to the extent permitted by applicable law (e) if the Issuer ceases or publicly threatens to cease to carry on all or a material part of its business or other operations or sells, transfers, lends or otherwise disposes of, directly or indirectly, all or a material part of its undertakings or assets (subject to certain exception), or (f) if it is or will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes.]</p> <p><u>[Subordinated Notes]</u> There are no events of default under the Subordinated Notes which would lead to an acceleration of the Subordinated Notes if certain events occur. However, if any judgment were issued for the judicial liquidation (<i>liquidation judiciaire</i>) of the Issuer or if the Issuer were liquidated for any other reason, then the Subordinated Notes would become immediately due and payable.]</p> <p><u>Withholding tax</u> All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>If such a withholding or deduction is required by the French law, the Issuer will have to gross-up its payments to the fullest extent then permitted by law and subject to certain exceptions.</p> <p>All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes will be made subject to any withholding or deduction required pursuant to the Foreign Account Tax Compliance Act ("FATCA"). There will be no grossing up provision and, accordingly, no early redemption whatsoever in case of any withholding or deduction required pursuant to FATCA.</p> <p><u>Governing law</u> French law.</p>
C.9	Interests/ Redemption/ Yield/ Representative of the Noteholders	<p>Please also refer to the information provided in item C.8 above.</p> <p><u>Issue Price</u> Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price of the Notes is [●].</p> <p><u>[Fixed Rate Notes]</u> Fixed interest of [●] will be payable in arrear [on [●] / [●] in each year] [from [●] to [●]]</p> <p><u>[Fixed Rate Resettable Notes]</u> The Notes will bear interest [from their date of issue / from [●] to (and excluding)</p>

the First Reset Date] at the fixed rate of [●] per cent. per annum. [The Notes will bear interest from (and including) the First Reset Date and to (but excluding) the Second Reset Date or, if none, the Maturity Date at the First Reset Rate of Interest and for each Subsequent Reset Period thereafter (if any) at the relevant Subsequent Reset Rate of Interest]. Interest will be paid [annually/semiannually/quarterly/monthly/other (specify) in arrear].]

“**First Margin**” means [●] per cent..

“**First Reset Date**” means [●].

“**First Reset Period**” means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if there is no Second Reset Date, the Maturity Date.

“**First Reset Rate of Interest**” means the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the mid-swap rate for the First Reset Period and the First Margin.

“**Reset Date**” means each of the First Reset Date, the Second Reset Date and any Subsequent Reset Date, as applicable.

“**Reset Determination Date**” means, in respect of a Reset Period, [●].

“**Reset Period**” means each of the First Reset Period or any Subsequent Reset Period, as applicable.

“**Second Reset Date**” means [●].

“**Subsequent Margin**” means [●] per cent..

“**Subsequent Reset Date**” means [●].

“**Subsequent Reset Period**” means the period from (and including) the Second Reset Date to (but excluding) the next occurring Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next occurring Subsequent Reset Date or, in the case of the final Subsequent Reset Date, to (but excluding) the Maturity Date.

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant mid-swap rate and the relevant Subsequent Margin.

Floating Rate Notes

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2007 FBF Master Agreement relating to transactions on forward financial instruments, as supplemented by the then applicable Interest and Currency Technical Annex (*Echange de conditions d'Intérêt ou de Devises - Additif Technique*) published by the AFB or the FBF, or
- (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service, which shall be either EURIBOR or, LIBOR.

In each case plus or minus any applicable margin, if any, and subject to any Minimum and/Maximum Rate of Interest.

“**Maximum Rate of Interest**” means [●].

“**Minimum Rate of Interest**” means [●].

The Floating Rate Notes will bear interest at a rate of [●] +/- [●] per cent. payable [on [●]/ [●] in each year], subject to any adjustment made pursuant to the applicable business day convention.]

CMS Linked Notes

Payments of interest in respect of CMS Linked Notes shall be calculated by reference to one or more CMS Rates and by applying one of the formulae described below:

[CMS Rate + margin]

[CMS Rate – margin]
 [Rate Multiplier x (CMS Rate + margin)]
 [Rate Multiplier x (CMS Rate – margin)]
 [Rate Multiplier x (CMS Rate₁ – CMS Rate₂)]
 [margin + [Rate Multiplier x (CMS Rate₁ – CMS Rate₂)]
 [Rate Multiplier x (Applicable Rate – CMS Rate)]
 [margin + [Rate Multiplier x (Applicable Rate – CMS Rate)]]

“**Applicable Rate**” means a rate (expressed as a percentage) that may be a Fixed Rate or a Floating Rate.

“**CMS Rate**” means [●].

“**Rate Multiplier**” means the number as shall be specified to apply to the relevant CMS Linked Notes.

The CMS Linked Notes will bear interest [from [●] to [●]] at a rate payable [on [●]/ [●] in each year], subject to any adjustments made pursuant to the applicable business day convention equal to:

[●]

Range Accrual Notes

Notes may also be issued by the Issuer as “Range Accrual Notes” where the interest in respect of any Notes with respect to one or more Interest Accrual Periods will be conditional upon the relevant reference rate(s) (EURIBOR, LIBOR or EUR CMS [or any combination thereof]) being equal to, lower than and/or greater than pre-determined rates on one or more days during a specified period and, if any such condition(s) is not satisfied during the specified period, then no interest shall be payable in respect of such Range Accrual Note in respect of such Interest Accrual Period.

The Range Accrual Notes will bear interest at a rate payable [on [●]/ [●] in each year] equal to: [●] x the Accrual Factor.]

The Accrual Factor means the number of days in the relevant period in respect of which [[●] month EURIBOR/LIBOR]/[●] year EUR CMS] fell within the Range (as defined below) divided by the total number of day in the relevant period. The Range means on a relevant day the [[●] month EURIBOR/LIBOR]/[●] year EUR CMS] is [less than] [greater than] [or equal to] [●]% and [greater than] [lower than] [or equal to] [●]%.]

Inverse Floating Rate Notes and Inverse CMS Rate Notes

The rate of interest in respect of Inverse Floating Rate Notes or Inverse CMS Rate Notes for each Interest Accrual Period shall be equal to the Fixed Rate minus the Floating Rate or the CMS Rate, as the case may be.

[Inverse [Floating Rate/CMS Rate] Notes will bear interest at a rate of [●] per cent. minus [[●] month EURIBOR/LIBOR]/[●] year EUR CMS] payable [on [●]/ [●] in each year].]

Zero Coupon Notes

Zero Coupon Notes are issued [at par / at *specify if below par*] and will not bear interest.]

Fixed /Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert, or that will automatically change, on one or more dates from one specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate or CMS Rate) to another specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate or CMS Rate).]

Maturity

Senior Notes

Subject to compliance with all relevant laws, regulations and directives, each Series of Senior Notes may have any agreed maturity as indicated in the

		<p>applicable Final Terms.</p> <p><u>Subordinated Notes</u> Subject to compliance with all relevant laws, regulations and directives, each Series of Subordinated Notes may have a minimum maturity.</p> <p>[Specify/Interest Payment Date falling on or nearest to [●].]</p> <p><u>[Redemption]</u> Subject to any purchase and cancellation of the Notes or their early redemption, the Notes will be redeemed on the above mentioned maturity date at [●]% of their nominal amount].</p> <p><u>[Optional Redemption]</u> The Notes may be redeemed prior to their stated maturity (but subject, in the case of Subordinated Notes, to certain conditions) at the option of [the Issuer (either in whole or in part)] [[and/or] the holders of the Notes (the "Noteholders") (only for Senior Notes)]</p> <p><u>Early Redemption</u> [Except as provided in the paragraph "Optional Redemption" above,] Senior Notes will be redeemable at the option of the Issuer prior to their stated maturity only for tax reasons. Any redemption of the Subordinated Notes prior to the Maturity Date is subject to various conditions including in particular the prior approval of the Relevant Regulator. [Early Redemption Amount: [[Par] per Calculation Amount]]</p> <p><u>Yield</u> The final terms issued in respect of each issue of Fixed Rate Notes will set out an Indication of the yield of such Notes. [The yield of the Notes is [●].]</p> <p><u>Representation of the Noteholders</u> [(a) <i>If the relevant final terms specifies "Full Masse", insert:</i> The Noteholders will, in respect of any Series, be grouped automatically for the defence of their common interests in a masse (the "Masse") and the provisions of the French <i>Code de commerce</i> relating to the Masse shall apply] / [(b) <i>If the relevant final terms specifies "Contractual Masse", insert:</i> The Noteholders will, in respect of any Series, be grouped automatically for the defence of their common interests in a masse (the "Masse"). The Masse will be governed by certain provisions of the French <i>Code de commerce</i>.]</p> <p>The Masse will act in part through a representative (the "Representative") and in part through general meetings of Noteholders.</p> <p>Whether "<i>Full Masse</i>" or "<i>Contractual Masse</i>" applies, if and for so long as the Notes of any Series are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights and obligations entrusted with the Representative and the general meeting of the Noteholders.</p>
C.10	Derivative component in the interest payment of the Notes	<p>Not applicable, the Notes issued under the Programme do not contain any derivative components. Please also refer to item C.9 above.</p>
C.11	Admission to trading on a regulated market	<p>Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. The Notes may be admitted to trading on any other Regulated Market in the EEA in accordance with the Prospectus Directive. A Series of Notes may be unlisted.</p>

		[Application has been made for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange]/[●.] / Not applicable, the Notes are not admitted to trading on any stock exchange or market.]
C.21	Admission to trading on a regulated market¹	<p>Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. The Notes may be admitted to trading on any other Regulated Market in the EEA in accordance with the Prospectus Directive. A Series of Notes may be unlisted.</p> <p>[Application has been made for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange]/[●.] / Not applicable, the Notes are not admitted to trading on any stock exchange or market.]</p>

Section D – Risks		
D.2	Key risks regarding the Issuer	<p>Crédit Mutuel Arkéa operates almost exclusively in banking, finance, and insurance. Crédit Mutuel Arkéa entities directly provide the support functions for the above businesses (design, production, distribution, and management). Like other banks the Issuer is exposed to several risks which include, inter alia:</p> <ul style="list-style-type: none"> - Credit risk; - Market risks; - Structural interest rate and liquidity risks; - Foreign exchange risk (or currency risk); - Equity risk and other variable income securities and investment securities risk; - Operational risk; - Legal risk; - Non-compliance risk including money-laundering risk; and - Risks specific to the insurance business. <p>Credit risk involves the risk of non-repayment in the event of a default by a borrower or borrowers considered a single beneficiary in the regulatory sense of the term.</p> <p>Market risk, or price risk, stems from unfavorable changes in market parameters that affect the value of financial instruments recognized on the balance sheet.</p> <p>Interest rate risk, which is caused by a difference in rates or of benchmark indices between the sources and applications of funds, involves the risk of changes in interest rates affecting present and future results.</p> <p>Liquidity risk arises from maturity differences between the sources and applications of funds. It may create additional expense in the event of widening liquidity spreads; in the most extreme case, it may result in the company being unable to honor its commitments.</p> <p>Currency risk is defined as the risk that the fair value of or future cash flows from a financial instrument will fluctuate with changes in the value of foreign currencies.</p> <p>Equity risk arises in the event of an equity market trends, which results in a drop in the portfolio valuation.</p> <p>The concept of operational risk adopted by the Group covers all risks included in the definition of the Basel III regulations and the administrative order of 3 November 2014.</p> <p>Legal risks are included in operational risk and relate, among other things, to exposure to fines, penalties, and damages for a tort attributable to the company in connection with its operations.</p> <p>Non-Compliance risk is defined as the risk of a court-ordered, administrative or disciplinary penalty or significant financial loss or injury to reputation resulting from non-compliance with: i) directly applicable national or European legislative or regulatory provisions governing banking and financial activities; ii)</p>

¹ Not required for Notes with a denomination per unit of at least €100,000.

		<p>professional and ethical standards; iii) instructions from the effective managers taken pursuant to the orientations set by the supervisory body.</p> <p>The insurance activity is exposed to several risk factors: underwriting risks of life insurance (redemption risk and longevity risk); underwriting risks of protection and borrower's insurance (mortality risk associated with the death of the policyholder, which leads to death benefit payments; and the risk of disability associated with the policyholder's medical leave, which leads to disability benefit payments); underwriting risks of non-life insurance (frequency risk and rate-setting risk, exceptional claims risk); reinsurance risk (the insufficiency of the reinsurance program relative to the Group's risk strategy, and the default of a reinsurer).</p> <p>The Issuer has been involved in a dispute since late 2014 with the <i>Confédération Nationale du Crédit Mutuel</i> (the "CNCM"), the central body of the Crédit Mutuel, relating to concerns that alleged conflicts of interest prevent the CNCM, as the central body of the Crédit Mutuel, from exercising effective independent administrative, technical and financial supervision of the group, the use of the "Crédit Mutuel" name and more recently the reorganization of the CNCM as a cooperative entity. At this stage, there can be no assurance as to when or the manner in which this situation may be resolved nor the impact it may have on the value of the Notes were it to remain a part of the current Crédit Mutuel or become an independent banking group.</p>
D.3	<p>Key risks regarding the Notes</p>	<p>There are certain factors which are material for the purpose of assessing the risks related to the Notes issued under the Programme including the following:</p> <ul style="list-style-type: none"> - Investment risks <p>The Notes may not be a suitable investment for all investors. Before taking their decision, the potential investors must understand that their investment in the Notes involves risks and should in particular conduct their own analysis and evaluation of the risks relating to the Notes.</p> <ul style="list-style-type: none"> - Risks related to the structure of a particular issue of Notes <ul style="list-style-type: none"> (i) Notes subject to optional redemption by the Issuer <p>An optional redemption feature of Notes is likely to limit their market value.</p> <ul style="list-style-type: none"> (ii) Fixed Rate Notes <p>Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.</p> <ul style="list-style-type: none"> (iii) Floating Rate Notes and CMS Linked Notes <p>The market value of Floating Rate Note or CMS Linked Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.</p> <ul style="list-style-type: none"> (iv) Return on Fixed Rate Resetable Notes, Floating Rate Notes and CMS Linked Notes <p>Investors will not be able to calculate in advance their rate of return on Fixed Rate Resetable Notes, Floating Rate Notes and CMS Linked Notes.</p> <ul style="list-style-type: none"> (v) Notes with a multiplier or other leverage factors caps, floors or a combination of those features <p>The market value of such Notes may be even more volatile than those for securities that do not include those features.</p> <ul style="list-style-type: none"> (vi) Fixed/Floating Rate Notes <p>Fixed/Floating Rate Notes are subject to interest basis switch provisions and may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating or other rate, or from a floating or other rate to a fixed rate. The Issuer's</p>

ability to convert the interest rate will affect the secondary market and the market value of such Notes.

(vii) Range Accrual Notes

Notes may also be issued by the Issuer as “Range Accrual Notes” where the interest in respect of such Notes will be conditional upon one applicable rate being equal to, greater than and/or less than certain predetermined levels on one or more periods and calculated by reference to the formula specified in the Terms and Conditions of the Notes. In the event that such conditionality is not satisfied in respect of one or more dates falling within any interest accrual period or other specified period, no interest may be payable in respect of such interest accrual period or interest will only be paid in respect only of those days in the interest accrual period on which such conditionality has been satisfied.

(viii) Inverse Floating Rate Notes/Inverse CMS Rate Notes

Inverse Floating Rate Notes and Inverse CMS Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate (EURIBOR, LIBOR or EUR CMS). The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate.

(ix) Fixed Rate Resetable Notes

A holder of Fixed Rate Resetable Notes with a fixed interest rate that will be periodically reset during the term of the relevant securities is exposed to the risk of fluctuating interest rate levels and uncertain interest income.

(x) Structured Notes

An investment in Notes, such as certain CMS Linked Notes, Inverse Floating Rate Notes or Inverse CMS Rate Notes, the interest on which is determined by reference to one or more values of interest rates or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security.

(xi) Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

- **Risks related to Notes generally including**

(i) An early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.

(ii) Modification of the Conditions applicable to the Notes

The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority.

(iii) Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Base Prospectus.

(iv) The Issuer is not prohibited from issuing further debt, which may rank pari passu with the Notes and/or senior to Subordinated Notes.

(v) Limited, or absence of, events of default

The holder of any Note may only give notice that such Note is immediately due and repayable in a limited number of events.

(vi) Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions.

(vii) Proposed financial transactions tax

On 14 February 2013, the European Commission has published a proposal for a directive for a common financial transaction tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. On 8 December, 2015 Estonia indicated that it will no longer be a Participating Member State.

(viii) French insolvency law

The rights of the Noteholders may be restricted by the compulsory French insolvency law provisions.

(ix) Implementation of CRD IV package

The implementation of CRD IV package has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. In addition, the implementation of CRD IV package could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation and application of the CRD IV package.

(x) EU Resolution and Recovery Directive

The powers set out in the Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms dated 15 May 2014 (the "BRRD") impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. In particular, once the BRRD is fully implemented, holders of Notes may be subject to write-down or conversion into equity on any application of the BRRD loss absorption requirement which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, adversely affect the rights of the Noteholders, the price or value of an investment in the Notes and/or the Issuer's ability to satisfy its obligations under the Notes.

- Risks related to the market generally including

(i) Absence of an active secondary market for the Notes

Notes may have no established trading market when issued, and one may never develop.

(ii) Exchange rate and exchange control risks

The Issuer will pay principal and interest on the Notes in the specified currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than the specified currency of the Notes.

(iii) Credit rating

The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

(iv) Legal investment considerations

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Financial institutions should consult their legal advisors or the appropriate regulators to

		<p>determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.</p> <p>(v) Market value of the Notes The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and a number of additional factors, including, but not limited to, market interest, yield and rates, the time remaining to the maturity date, economic, financial and political events in France or elsewhere.</p> <p>(vi) Interests of the Dealers Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business.</p> <p>(vii) Interests of the Calculation Agent A conflict of interest may arise between the Issuer and the Noteholders where the Issuer or its affiliate acts as Calculation Agent in respect of determining amounts payable under the Notes pursuant to the Conditions.</p> <p>- Additional Risks relating to Subordinated Notes</p> <p>(i) Subordinated Notes are complex instruments that may not be suitable for certain investors</p> <p>(ii) The Issuer is not prohibited from issuing further debt, which may rank <i>pari passu</i> with or senior to the Subordinated Notes</p> <p>(iii) No Events of Default for Subordinated Notes</p> <p>(iv) The Subordinated Notes may be redeemed at the Issuer's option or upon the occurrence of a Tax Event or Capital Event</p> <p>(v) The Issuer will not be required to redeem the Subordinated Notes if it is prohibited by French law from paying additional amounts</p>
Section E – Offer		
E.2b	Use of proceeds	[The net proceeds of the issue of Notes will be used for the Issuer's general corporate purposes / Other (<i>specify</i>).]
E.3	Terms and conditions of the Offer	<p>[The Notes are offered to the public in [●].] / [No public offer is being made or contemplated.]</p> <p>The total amount of the [Issue]/[Offer] is [●]</p> <p>[Offer Period: The period from [●] until [●]</p> <p>Offer Price: [Issue Price]/[●]</p> <p>Conditions to which the Offer is subject: [●]</p> <p>Description of the application process: [●]</p> <p>Details of the minimum and/or maximum amount of application: [●]</p> <p>Manner in and date on which results of the Offer are to be made public: [●]</p>
E.4	Interest of natural and legal persons involved in the issue/offer	[Not applicable, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.] [The Dealer will be paid aggregate commissions equal to [●] per cent. of the nominal amount of the Notes. So far as the Issuer is aware, no other person involved in the issue of the Notes has an interest material to the offer.] [●].

E.7	Expenses charged to the investor by the Issuer or an offeror	[The estimated expenses charged to the investor amount to [●]./ Not applicable, there are no expenses charged to the investor.]
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RÉSUMÉ EN FRANÇAIS DU PROGRAMME

Avertissement au lecteur :

Les résumés sont composés des informations requises appelées « Éléments ». Ces éléments sont numérotés dans les sections A à E (A.1 –E.7).

Ce résumé contient tous les éléments devant être inclus dans un résumé pour ce type de valeurs mobilières et d'Émetteur. La numérotation des Éléments peut ne pas se suivre en raison du fait que certains Éléments n'ont pas à être inclus.

Bien qu'un Éléments doive être inclus dans le résumé du fait du type de valeur mobilière et d'Émetteur concerné, il se peut qu'aucune information pertinente ne puisse être donnée sur cet Éléments. Dans ce cas, une brève description de l'Éléments est incluse dans le résumé suivie de la mention « Sans objet ».

<i>Section A – Introduction et avertissements</i>		
A.1	Avertissement général relatif au résumé	<p>Le présent résumé doit être lu comme une introduction au Prospectus de Base. Toute décision d'investir dans les Titres concernés doit être fondée sur un examen exhaustif du Prospectus de Base par l'investisseur. Lorsqu'une action concernant l'information contenue dans le Prospectus de Base est intentée devant un tribunal, l'investisseur plaignant peut, selon la législation nationale des États membres, avoir à supporter les frais de traduction du Prospectus de Base avant le début de la procédure judiciaire. Une responsabilité civile n'est attribuée qu'aux personnes qui ont présenté le résumé, y compris sa traduction, mais uniquement si le contenu du résumé est trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base ou s'il ne fournit pas, lu en combinaison avec les autres parties du Prospectus de Base, les informations clés permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</p>
A.2	Information relative au consentement de l'Émetteur concernant l'utilisation du Prospectus de Base	<p>[Sans objet. L'Émetteur ne donne pas son consentement à l'utilisation du Prospectus de Base]/[L'Émetteur consent à l'utilisation du Prospectus de Base pour ce qui concerne toute offre de Titres qui n'est pas effectuée en vertu d'une dispense de prospectus conformément à la Directive Prospectus (une « Offre Non-exemptée »), sous réserve des conditions suivantes:</p> <p>(i) le consentement n'est donné que pour la période de [[●] à [●]/la Date d'Émission]/[la date qui tombe le [●] Jour Ouvré suivant]] (la « Période d'Offre »);</p> <p>(ii) les seuls offrants autorisés à utiliser le Prospectus de Base dans le cadre d'une Offre Non-exemptée de Titres sont les [Agents Placeurs] et[(i) [●] [et[●]] (préciser le nom et l'adresse de tout intermédiaire financier autorisé) et/ou si l'Émetteur donne son consentement à d'autres intermédiaires financiers après le [●] (étant la date des <i>Condition Définitives</i>) et aura précisé les informations les concernant sur son site Internet (http://www.arkea.com/banque/assurance/credit/mutuel/ecb_5008/fr/analyste-ou-investisseur), tout intermédiaire financier dont les informations sont indiquées]/[et] tout intermédiaire financier qui est autorisé à faire une telle offre dans le cadre de la loi applicable transposant de la Directive sur les Marchés d'Instruments Financiers (Directive 2004/39/CE), telle qu'amendée, qui reconnaît sur son site Internet qu'il utilise le Prospectus de Base pour offrir les Titres durant la Période d'Offre (le[s] « Offrant[s] Autorisé[s] »); [et]</p> <p>(iii) le consentement ne s'étend qu'à l'utilisation du Prospectus de Base dans le cadre d'une Offre Non-exemptée en France et/ou au Grand-Duché de Luxembourg ([l'/les] « État[s] de l'Offre Non-exemptée ») (préciser le[s] <i>Etat[s] Membre[s] pour le[s]quel[s] le consentement est donné</i>);</p> <p>(iv) le consentement est donné pour des Périodes d'Offre (le cas échéant)</p>

		<p>commençant dans les 12 mois suivant la date d'approbation du Base Prospectus par la CSSF; [et]</p> <p>[(v) le consentement est donné sous réserve de[s]/[la] condition[s] suivante[s]: [●].]</p> <p>Tout Offrant Autorisé visé au paragraphe (ii) ci-dessus qui satisfait toutes les autres conditions précisées ci-dessus et qui souhaite utiliser le présent Prospectus de Base dans le cadre d'une Offre Non-exemptée est tenu, pendant la Période d'Offre, d'indiquer sur son site Internet qu'il utilise le Prospectus de Base pour une telle Offre Non-exemptée conformément au consentement de l'Émetteur.</p> <p>Un Investisseur qui souhaite acquérir ou qui acquiert tous Titres auprès d'un Offrant Autorisé pourra le faire, et les offres et ventes des Titres à un Investisseur par un Offrant Autorisé seront effectuées, conformément aux modalités et autres accords conclus entre cet Offrant Autorisé et cet Investisseur y compris, s'agissant du prix, des accords d'allocation et de règlement (les « Modalités de l'Offre Non-exemptée »). L'Émetteur ne sera partie à aucun de ces accords avec les Investisseurs (autres que les Agents Placeurs) en ce qui concerne l'offre ou la vente des Titres et, en conséquence, le Prospectus de Base et les Conditions Définitives ne contiendront pas ces informations. Les Modalités de l'Offre Non-exemptée seront indiquées aux Investisseurs sur son site Internet par ledit Offrant Autorisé pendant la période concernée. Ni l'Émetteur ni aucun des Agents Placeurs ou d'autres Offrants Autorisés ne saurait être tenu responsable de cette information.]</p>
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<i>Section B – Émetteur</i>		
B.1	Raison sociale et nom commercial de l'Émetteur	Crédit Mutuel Arkéa (l'« Émetteur »)
B.2	Siège social/ Forme juridique/ Législation/ Pays d'immatriculation	<p>L'Émetteur est une société anonyme coopérative de crédit à capital variable de droit français, immatriculée en France. Elle est régie par :</p> <ul style="list-style-type: none"> - la loi du 10 septembre 1947 portant statut de la coopération ; - les articles L.231-1 à L.231-8 du Code de commerce sur le capital variable ; - les dispositions du Code de commerce sur les sociétés commerciales ; - les dispositions du Code monétaire et financier relatives à l'activité et au contrôle des établissements de crédit ; - les articles L.512-55 à L.512-59 du Code monétaire et financier et l'ensemble des textes relatifs au Crédit Mutuel ; - les dispositions de ses statuts et de son règlement intérieur. <p>Le siège social de l'Émetteur est situé 1, rue Louis Lichou, 29480 Le Relecq Kerhuon, France.</p>
B.4b	Tendances connues	<p>Lancement du nouveau plan stratégique du groupe « Arkéa 2020 »</p> <p>Dans la continuité d'« Horizons 2015 », ce plan vise à renforcer le positionnement du groupe comme « Entrepreneur de la banque et de l'assurance », avec pour ambitions de :</p> <ul style="list-style-type: none"> - conseiller et équiper les clients particuliers, passant du modèle de distribution bancaire à un concept de « coaching financier ». Lancer un nouveau concept de banque de détail qui associe le meilleur de la banque physique et de la banque en ligne ; - renforcer son rôle de partenaire de référence sur ses territoires et l'accompagnement de l'entrepreneuriat numérique ; - développer ses offres de bancassurance au travers de partenariats, voire d'acquisition, d'acteurs de niche ; - et poursuivre sa stratégie de prestataire de services bancaires pour compte de

		<p>tiers, un positionnement unique en France et en zone euro.</p> <p>Tout cela s'accompagne d'un engagement fort du groupe en faveur du développement durable, et notamment la transition énergétique, l'économie circulaire, l'économie du partage et l'entrepreneuriat sociétal.</p> <p>Acquisition réalisée par la société depuis la publication de ses derniers états financiers vérifiés</p> <p>Le 6 juin 2016, Crédit Mutuel Arkéa a annoncé la finalisation de l'acquisition de Keytrade Bank, leader sur le marché de la banque en ligne en Belgique et anciennement filiale du groupe bancaire coopératif belge Crelan.</p>																								
B.5	Description du Groupe	<p>Entrepreneur de la banque et de l'assurance, le groupe Crédit Mutuel Arkéa réunit les fédérations de Crédit Mutuel de Bretagne, du Sud-Ouest et du Massif Central ainsi qu'une vingtaine de filiales spécialisées qui couvrent tous les métiers de la sphère financière.</p>																								
B.9	Prévisions et estimations du bénéfice	<p>Sans objet. Il n'y a pas de prévisions et estimations du bénéfice.</p>																								
B.10	Réserves formulées dans le rapport d'audit	<p>Sans objet. Les rapports des commissaires aux comptes consolidés des exercices clos le 31 décembre 2014 et le 31 décembre 2015 ne comportent pas de réserves.</p>																								
B.12	Informations financières historiques clés sélectionnées	<p>Information Financière Consolidée(en millions d'euros)</p> <table border="1"> <thead> <tr> <th></th> <th>31 décembre 2014</th> <th>31 décembre 2015</th> </tr> </thead> <tbody> <tr> <td>Capital social</td> <td>2.216,9</td> <td>2.202,6</td> </tr> <tr> <td>Réserves consolidées</td> <td>2.752,7</td> <td>2.980,8</td> </tr> <tr> <td>Résultat de l'exercice</td> <td>269,5</td> <td>296,3</td> </tr> <tr> <td>Capitaux propres consolidés</td> <td>5.468,3</td> <td>5.776,3</td> </tr> <tr> <td>Dettes à court, moyen et long-terme*</td> <td>15.575,9</td> <td>14.161,8</td> </tr> <tr> <td>*y compris les dettes subordonnées</td> <td>382,1</td> <td>382</td> </tr> <tr> <td>Emprunts obligataires (valeur brute)</td> <td>11.126,7</td> <td>10.287,3</td> </tr> </tbody> </table> <p>Il n'y a eu aucun changement significatif de la situation financière ou commerciale de l'Emetteur ou du Groupe depuis le 31 décembre 2015.</p> <p>Aucune détérioration significative n'a eu de répercussions sur les perspectives de l'Emetteur et du Groupe depuis le 31 décembre 2015.</p>		31 décembre 2014	31 décembre 2015	Capital social	2.216,9	2.202,6	Réserves consolidées	2.752,7	2.980,8	Résultat de l'exercice	269,5	296,3	Capitaux propres consolidés	5.468,3	5.776,3	Dettes à court, moyen et long-terme*	15.575,9	14.161,8	*y compris les dettes subordonnées	382,1	382	Emprunts obligataires (valeur brute)	11.126,7	10.287,3
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B.13	Événements récents affectant la solvabilité de l'Émetteur	<p>Sans objet. Il n'y a eu aucun événement récent affectant la solvabilité de l'Emetteur.</p>																								
B.14	Dépendance vis-à-vis d'autres entités du Groupe	<p>Sans objet. L'Emetteur n'est pas dépendant d'autres entités du Groupe.</p>																								
B.15	Principales activités	<p>Fabricant et distributeur, le Crédit Mutuel Arkéa est en mesure de proposer à ses clients, qu'ils soient particuliers, acteurs de la vie économique, sociale ou institutionnelle, une gamme complète de produits et services bancaires, financiers, patrimoniaux, d'assurance, etc. Par ailleurs, le Groupe présente la particularité de développer des services bancaires en marque blanche à destination d'autres établissements financiers et de paiement.</p> <p>Coopératif et mutualiste, le Crédit Mutuel Arkéa n'est pas coté en bourse. Il appartient à ses sociétaires qui sont à la fois actionnaires et clients. Le Groupe, qui conjugue solidité financière et stratégie de croissance durable, met ainsi sa</p>																								

		performance au service du financement de l'économie réelle et des projets de ses 3,6 millions de clients.
B.16	Principaux actionnaires	Le capital de Crédit Mutuel Arkéa est détenu par les caisses locales des fédérations du Crédit Mutuel de Bretagne, du Crédit Mutuel du Sud-Ouest et du Crédit Mutuel Massif Central. Aucune des caisses locales des fédérations ne détient plus de 5% du capital de Crédit Mutuel Arkéa. Il n'existe pas d'accord susceptible d'entraîner un changement du contrôle de la société.
B.17	Notation de crédit	<p>Les Titres Senior émis dans le cadre du Programme devraient être notés A/A-1 par Standard & Poor's Credit Market Services France SAS (« S&P »). Les Titres Subordonnés émis dans le cadre du Programme devraient être notés BBB par S&P.</p> <p>A la date du présent Prospectus de Base, S&P est établi dans l'Union Européenne, a demandé l'enregistrement prévu par le Règlement (CE) n°1060/2009, tel que modifié par le Règlement (UE) n°513/2011 (le « Règlement CRA »), et est inscrit sur la liste des agences de notation enregistrées publiée sur le site internet de l'Autorité Européenne des Marchés Financiers (<i>European Securities and Markets Authority</i>) (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk).</p>

Section C – Valeurs mobilières		
C.1	Nature et catégorie des Titres/ISIN	<p>Les Titres sont des Titres à [Taux Fixe]/[Les Titres à Taux Fixe Révisable]/[Taux Variable]/[Coupon Zéro]/[Indexés sur CMS]/[Taux Fixe/Variable]/[« Range Accrual »]/[Taux variable Inverse]/[Taux CMS Inverse].</p> <p>Le code ISIN des Titres est: [●].</p> <p>Le code commun des Titres est: [●].</p>
C.2	Devise	<p>Sous réserve du respect des lois, règlements et directives applicables, les Titres pourront être émis en euros, Dollars US, yens japonais, francs suisses, livre sterling et dans toute autre devise convenue entre l'Émetteur et les Agents Placeurs concernés.</p> <p>Les Titres sont émis en [●].</p>
C.5	Négociabilité	Sans objet. Il n'y a pas de restriction à la libre négociabilité des Titres (sous réserve de l'application de restrictions de vente dans certaines juridictions).
C.8	Droits attachés aux Titres, ainsi que leur rang et les limitations à ces droits	<p>Merci de vous reporter également à l'information fournie à l'Élément C.9 ci-dessous concernant le droit au paiement des intérêts et le remboursement au pair à la date d'échéance.</p> <p><u>Rang de créance des Titres</u></p> <p>Les Titres peuvent être des Titres Senior (les « Titres Senior ») ou des Titres Subordonnés (les « Titres Subordonnés »). L'intention de l'Émetteur est de faire admettre les Titres Subordonnés comme Fonds Propres de Catégorie 2.</p> <p>Où :</p> <p>« Autorité Compétente » désigne la Banque Centrale Européenne et tout successeur ou remplaçant de celle-ci, ou toute autorité ayant la responsabilité principale de la surveillance prudentielle et de la supervision de l'Émetteur;</p> <p>« Exigences Règlementaires Applicables » désignent toutes les lois, règlements, directives, normes techniques, orientations et politiques relatives aux exigences en matière de fonds propres, en vigueur en France, y compris, sans aucune limitation, tous règlements, directives, normes techniques, orientations et politiques relatives aux exigences en matière de fonds propres actuellement en vigueur et appliqués par l'Autorité Compétente ; et</p> <p>« Fonds Propres de Catégorie 2 » désigne les éléments de fonds propres considérés au titre des Exigences Règlementaires Applicables par l'Autorité</p>

	<p>Compétente comme faisant partie des éléments de fonds propres de catégorie 2 de l'Émetteur.</p> <p>Les Titres sont des Titres [Senior] / [Subordonnés]</p> <p>[Titres Senior Les Titres Senior constitueront des engagements de l'Émetteur non subordonnés et non assortis de sûretés et venant au même rang entre eux et sous réserve d'exceptions qui pourraient être prévues par la loi applicable et sans préjudice de la clause de maintien de l'emprunt à son rang, auront un rang au moins égal à tout autre endettement ou engagement financier présent ou futur de l'Émetteur, non subordonné et non assorti de sûreté.]</p> <p>[Titres Subordonnés Les Titres Subordonnés (étant les Titres pour lesquels les Conditions Définitives applicables précisent qu'ils constituent des Titres Subordonnés) sont émis dans le cadre des dispositions de l'article L. 228-97 du Code de commerce.</p> <p>Les Titres Subordonnés et les Coupons qui y sont attachés (le cas échéant) constituent des engagements directs, inconditionnels, non assortis de sûretés et subordonnés de l'Émetteur et venant :</p> <ul style="list-style-type: none"> (i) au même rang entre eux ; (ii) au même rang que (a) tout engagement ou instrument de fonds propres de l'Émetteur, existant ou futur, faisant partie des Instruments de Fonds Propres de Catégorie 2 de l'Émetteur et (b) tout autre engagement, existant ou futur, direct, inconditionnel, non assorti de sûretés et subordonné de l'Émetteur dont le rang est ou est stipulé être le même que celui des Titres Subordonnés ; (iii) à un rang supérieur aux prêts participatifs octroyés ou qui seraient octroyés à l'Émetteur, aux titres participatifs émis ou qui seraient émis par l'Émetteur et aux titres subordonnés de rang inférieur (engagements dits « super subordonnés » ou « engagements subordonnés de dernier rang ») ; et (iv) à un rang subordonné (a) aux créanciers non subordonnés (incluant les déposants), existants ou futurs, de l'Émetteur et (b) aux créanciers subordonnés, existants et futurs, de l'Émetteur, autres que ceux existants ou futurs dont le rang de la créance est ou est stipulé être égal ou inférieur à celui des Titres Subordonnés. <p>Si un jugement ordonnant la liquidation judiciaire de l'Émetteur est rendu ou si une liquidation de l'Émetteur intervient pour toute autre raison, l'obligation de paiement de l'Émetteur au titre des Titres Subordonnés et des Coupons qui y sont attachés (le cas échéant) sera subordonnée au complet paiement des créanciers non subordonnés de l'Émetteur (y compris les déposants) et des créanciers subordonnés de l'Émetteur autres que ceux existants ou futurs dont le rang de la créance est ou est stipulé être égal ou inférieur à celui des Titres Subordonnés, et, sous réserve de ce complet paiement, les Porteurs de Titres Subordonnés seront payés en priorité aux prêts participatifs octroyés ou qui seraient octroyés à l'Émetteur, aux titres participatifs émis ou qui seraient émis par l'Émetteur et aux titres subordonnés de rang inférieur (engagements dits « super subordonnés » ou engagements subordonnés de dernier rang) existants ou futurs.</p> <p>Dans le cas d'un désintéressement partiel des créanciers non subordonnés de l'Émetteur et des créanciers subordonnés dont le rang de la créance est ou est stipulé supérieur à celui des Titres Subordonnés et des Coupons qui y sont attachés (le cas échéant), les engagements de l'Émetteur au regard des Titres Subordonnés prendront fin.</p> <p>Les Porteurs de Titres Subordonnés seront tenus de prendre toutes les mesures nécessaires au bon accomplissement de toute procédure collective ou de liquidation volontaire liée aux demandes éventuellement formulées à l'encontre de l'Émetteur.]</p>
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Maintien de l'emprunt à son rang

[Titres Senior

L'Émetteur ne constituera aucune sûreté sur l'une quelconque de ses obligations ou endettements similaires émis ou garantis par lui sans constituer de sûreté équivalente sur les Titres Senior restant dus.]

[Titres Subordonnés

Les modalités des Titres Subordonnés ne contiennent aucune clause de maintien de l'emprunt à son rang.]

Cas d'Exigibilité Anticipée

[Titres Senior

Les Titres seront exigibles et payables à leur montant principal avec tout intérêt couru y afférent :

(a) en cas de défaut de paiement de tout montant en principal ou intérêt, dû par l'Émetteur au titre des Titres (sous certaines conditions), (b) en cas de manquement par l'Émetteur à l'une quelconque de ses autres obligations relatives aux Modalités des Titres (sous certaines conditions), (c) si toute autre dette d'emprunt, présente ou future, contractée par l'Émetteur pour une somme supérieure à 5.000.000 d'euros (ou son équivalent en toute autre devise), soit individuellement soit collectivement, devient exigible de manière anticipée (le cas échéant, à l'expiration de tout délai de grâce applicable) en raison d'un manquement ou d'un défaut de paiement, ou si des mesures sont prises pour mettre en œuvre une sûreté donnée en garantie d'une telle dette d'emprunt, ou toute garantie consentie par l'Émetteur relative à une dette d'emprunt n'est pas honorée en cas d'appel, (d) au cas où l'Émetteur fait une proposition de moratoire sur ses dettes, ou un jugement est rendu pour sa liquidation judiciaire, ou pour la cession totale de l'entreprise, ou fait l'objet de toute autre procédure d'insolvabilité ou conclu tout accord avec ses créanciers dans le cadre d'une procédure d'insolvabilité, dans la mesure, pour chacun de ces cas, où le droit applicable le permet, (e) au cas où l'Émetteur cesse son activité ou la quasi-totalité de son activité, ou vend, transfère ou cède, directement ou indirectement, tout ou la quasi-totalité de ses actifs (sous réserve de certaines exceptions), ou (f) si l'exécution ou le respect de ses obligations au titre des Titres par l'Émetteur est ou devient illégal.]

[Titres Subordonnés

Les modalités des Titres Subordonnés ne contiennent pas de cas de défaut rendant les Titres Subordonnés exigibles par anticipation en cas de survenance de certains événements. Toutefois, si un jugement prononce la liquidation judiciaire de l'Émetteur ou si une liquidation de l'Émetteur intervient pour toute autre raison, les Titres Subordonnés deviendront immédiatement remboursables.]

Fiscalité

Tous les paiements de principal et d'intérêts effectués par ou pour le compte de l'Émetteur au titre des Titres seront effectués sans aucune retenue à la source ni déduction d'impôts, droits, assiettes ou charge gouvernementale d'une quelconque nature, imposée, prélevée, collectée, retenue ou fixée par la France ou en France, ou toute autre autorité française ayant le pouvoir de lever l'impôt, à moins que cette retenue à la source ou déduction ne soit exigée par la loi. Si une telle retenue ou déduction devait être effectuée, l'Émetteur serait tenu de majorer ses paiements dans la mesure autorisée par la loi et sous réserve de certaines exceptions.

Tous paiements de principal, d'intérêt et d'autres produits effectués par ou pour le compte de l'Émetteur se rapportant aux Titres pourront être soumis à une retenue à la source ou à une déduction imposée au titre de la *Foreign Account Tax compliance Act* (« FATCA »). Il n'y aura pas lieu à majoration et, par conséquent, à remboursement anticipé en cas de retenue à la source ou de déduction imposée au titre de FATCA.

Droit Applicable

		Droit Français
C.9	Intérêt, Remboursement, Rendement, Représentant des Porteurs de Titres	<p>Merci de vous reporter également à l'information fournie à l'Élément C.8 ci-dessus.</p> <p><u>Prix d'émission</u> Les Titres pourront être émis au pair, en dessous du pair ou avec une prime d'émission. Le prix d'émission des Titres est de [●].</p> <p><u>[Titres à Taux fixe</u> Les intérêts à taux fixe de [●] seront payables à terme échu [le [●]/[●] de chaque année [de [●] à [●]]</p> <p><u>[Titres à Taux Fixe Révisable</u> Les Titres porteront intérêt [à compter de leur date d'émission / à compter de [●] jusqu'à la Première Date de Révision (exclue)] à un taux fixe de [●] % par an. [Les Titres porteront intérêt à compter de la Première Date de Révision (inclue) jusqu'à la Deuxième Date de Révision (exclue) ou, à défaut, la Date d'Échéance, au Premier Taux d'Intérêt Révisé, et, le cas échéant, pour chaque Période d'Intérêt Révisé Suivante au Taux d'Intérêt Révisé Suivant applicable]. Les intérêts seront payables [annuellement/semestriellement/trimestriellement /mensuellement/autre (préciser) en arriérés].]</p> <p>« Date de Détermination de la Révision » désigne, à l'égard d'une Période de Révision, [●]. « Date de Révision » désigne, selon le cas, la Première Date de Révision, la Deuxième Date de Révision ou toute Date de Révision Suivante. « Date de Révision Suivante » désigne [●]. « Deuxième Date de Révision » désigne [●]. « Marge Subséquente » désigne [●]%. « Période de Révision » désigne, selon le cas, la Première Période de Révision ou toute Période de Révision Subséquente. « Période de Révision Suivante » désigne la période comprise entre la Deuxième Date de Révision (inclue) et la prochaine Date de Révision Suivante (exclue), et chaque période suivante comprise entre la Date de Révision Suivante (inclue) et la prochaine Date de Révision Suivante (exclue) ou, dans le cas de la dernière Date de Révision Suivante, la date d'Échéance. « Premier Taux d'Intérêt Révisé » désigne le taux d'intérêt déterminé par l'Agent de Calcul à la Date de Détermination de la Révision correspondant à la somme du taux mid-swap pour la Première Période de Révision et de la Première Marge. « Première Date de Révision » désigne [●]. « Première Marge » désigne [●]%. « Première Période de Révision » désigne la période comprise entre la Première Date de Révision (inclue) et la Deuxième Date de Révision (exclue) ou, s'il n'y a pas de Deuxième Date de Révision, la Date d'Échéance. « Taux d'Intérêt Révisé Suivant » désigne, pour toute Période d'Intérêt Révisé Suivante, le taux d'intérêt déterminé par l'Agent de Calcul à la Date de Détermination de la Révision correspondant à la somme du taux mid-swap applicable et de la Marge Suivante applicable.</p> <p><u>[Titres à Taux Variable</u> Les Titres à Taux Variable porteront intérêt au taux déterminé pour chaque Souche de la façon suivante :</p> <p>(i) sur la même base que le taux variable applicable à une opération d'échange de taux d'intérêt notionnel dans la Devise Prévue concernée, conformément à la Convention Cadre FBF de 2007 relatives aux opérations sur instruments financiers à terme complétée par les Additifs Techniques sur les Intérêts et Devises applicables le cas échéant (Échange de conditions</p>

		<p>d'intérêt ou de devises - additif technique) publiés par l'Association Française des Banques ou la Fédération Bancaire Française, ou</p> <p>(ii) sur la base d'un taux de référence apparaissant sur une page écran convenue d'un service de cotation commercial lequel sera l'EURIBOR ou le LIBOR,</p> <p>en ajoutant ou soustrayant dans chaque cas toute marge applicable, s'il y a lieu, et sous réserve de tout Taux d'Intérêt Minimum et/ou Maximum.</p> <p>« Taux d'Intérêt Maximum » désigne [●]. « Taux d'Intérêt Minimum » désigne [●].</p> <p>Les Titres à Taux Variable porteront intérêt à un taux de [●] +/- [●] pour cent payable [le [●]/[●] de chaque année], selon la convention de jour ouvré applicable.]</p> <p>[Titres Indexés sur CMS] Les paiements d'intérêt se rapportant aux Titres Indexés sur CMS seront calculés à partir d'un ou plusieurs Taux CMS et en appliquant une des formules décrites ci-dessous :</p> $\begin{aligned} & [\text{Taux CMS} + \text{marge}] \\ & [\text{Taux CMS} - \text{marge}] \\ & [\text{Multiplicateur de Taux} \times (\text{Taux CMS} + \text{marge})] \\ & [\text{Multiplicateur de Taux} \times (\text{Taux CMS} - \text{marge})] \\ & [\text{Multiplicateur de Taux} \times (\text{Taux CMS}_1 - \text{Taux CMS}_2)] \\ & [\text{marge} + [\text{Multiplicateur de Taux} \times (\text{Taux CMS}_1 - \text{Taux CMS}_2)]] \\ & [\text{Multiplicateur de Taux} \times (\text{Taux Applicable} - \text{Taux CMS})] \\ & [\text{marge} + [\text{Multiplicateur de Taux} \times (\text{Taux Applicable} - \text{Taux CMS})]] \end{aligned}$ <p>« Multiplicateur de Taux » désigne le nombre indiqué comme étant applicable aux Titres Indexés sur CMS concernés. « Taux Applicable » désigne un taux exprimé en pourcentage, qui pourra être un Taux Fixe ou un Taux Flottant. « Taux CMS » désigne [●].</p> <p>Les Titres Indexés sur CMS porteront intérêt [de [●] à [●]] à un taux payable [le [●]/[●] de chaque année], selon la convention de jour applicable, égal à : [●]</p> <p>[Titres dits « Range Accrual »] L'émetteur pourra émettre des Titres dit « Range Accrual » dont l'intérêt pour chaque Période d'Accumulation des Intérêts dépendra du/des Taux de référence applicable(s) (EURIBOR, LIBOR ou EUR CMS [ou toute combinaison de ceux-ci]) égal/égaux à, inférieur(s) à, ou supérieur(s) à certains taux prédéterminés, à une ou plusieurs dates pendant une période définie. Dans le cas où une de ces conditions n'est pas remplie pendant la période définie, aucun intérêt se rapportant à ces Titres dits « Range Accrual » ne sera versé à l'égard d'une telle Période d'Accumulation des Intérêts.</p> <p>Les Titres dits « Range Accrual » porteront intérêt à un taux payable [le [●]/[●] de chaque année] égal à : [●] x le Coefficient d'Accroissement.]</p> <p>Le Coefficient d'Accroissement est le nombre de jours dans la période définie pendant lesquels [EURIBOR/LIBOR [●] mois / EUR CMS [●] an(s)] remplissait les conditions définies par le « Range » divisé par le nombre total de jour de la période définie. Le « Range » désigne le fait qu'un jour donnée le [EURIBOR/LIBOR [●] mois / EUR CMS [●] an(s)] soit [inférieur à] [supérieur à] [ou égal à] [●]% et [supérieur à] [inférieur à] [ou égal à] [●]%.]</p> <p>[Titres à Taux Variable Inverse et Titres à Taux CMS Inverse] Le taux d'intérêt se rapportant aux Titres à Taux Variable Inverse ou aux Titres à Taux CMS Inverse sera égal, pour chaque Période d'Accumulation des Intérêts,</p>
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	<p>au Taux Fixe, moins le Taux Variable ou le Taux CMS, selon le cas.</p> <p>[Les Titres à [[Taux Variable/Taux CMS] Inverse] porteront intérêt à un taux de [●]% moins [EURIBOR/LIBOR [●] mois / EUR CMS [●] an(s)] payable [le [●] / [●] de chaque année].]</p> <p><u>Titres à Coupon Zéro</u> Les Titres à Coupon Zéro sont émis [au pair / [●] (<i>spécifier si au-dessous du pair</i>)] et ne porteront pas intérêt]</p> <p><u>Titres à Taux Fixe-Variable ou Variable-Fixe</u> Les Titres à Taux Fixe-Variable ou Variable-Fixe pourront porter intérêt à un taux que l'Émetteur pourra choisir de convertir, ou qui changera automatiquement, à une ou plusieurs dates, d'une base d'intérêt déterminée (telle que, mais pas exclusivement, Taux Fixe, Taux Variable ou Taux CMS) à une autre base d'intérêt déterminée (telle que, mais pas exclusivement, Taux Fixe, Taux Variable ou Taux CMS).]</p> <p><u>Echéance</u> <u>Titres Senior</u> Sous réserve du respect de toutes lois, réglementations et directives applicables, toute Série de Titres Senior peut avoir toute échéance convenue, telle qu'indiquée dans les Conditions Définitives applicables.</p> <p><u>Titres Subordonnés</u> Sous réserve du respect de toutes lois, réglementations et directives applicables, toute Série de Titres Subordonnés peut avoir une échéance minimum.</p> <p>[Préciser / Date de Paiement d'Intérêt tombant le ou la plus proche du [●]]</p> <p><u>Remboursement</u> Sous réserve du rachat et de l'annulation des Titres ou du remboursement anticipé de ces Titres, ceux-ci seront remboursés à la date d'échéance susvisée à [●]% de leur montant nominal.]</p> <p><u>Remboursement Optionnel</u> Les Titres peuvent être remboursés avant la date d'échéance prévue (sous réserve du respect de certaines conditions concernant les Titres Subordonnés) au gré [de l'Émetteur (en totalité ou en partie)] [[et/ou] des porteurs de Titres (les « Porteurs de Titres ») (uniquement pour les Titres Senior)]</p> <p><u>Remboursement Anticipé</u> [Sauf dans les cas indiqués au paragraphe "Remboursement Optionnel" ci-avant,] les Titres ne pourront faire l'objet d'un remboursement anticipé au gré de l'Émetteur que pour des raisons fiscales. Tout remboursement des Titres Subordonnés avant la date d'échéance est soumis au respect de diverses conditions, y compris notamment l'accord de l'Autorité Compétente.</p> <p>[Montant du Remboursement Anticipé: [[Au Pair] par Montant de Calcul]]</p> <p><u>Rendement</u> Les conditions définitives de chaque émission de Titres à Taux Fixe préciseront le rendement des Titres. Le rendement des Titres est de [●].]</p> <p><u>Représentation des Porteurs de Titres</u> [(a) Si les conditions définitives concernées spécifient « Masse Complète » insérer: Les Porteurs de Titres seront groupés automatiquement, au titre d'une même Souche, pour la défense de leurs intérêts communs en une masse (la « Masse ») et les dispositions du Code de commerce relatives à la Masse s'appliqueront.] / [(b) Si les conditions définitives concernées spécifient « Masse</p>
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		<p><i>Contractuelle</i> » insérer : Les Porteurs de Titres seront groupés automatiquement, au titre d'une même Souche, pour la défense de leurs intérêts communs en une masse (la « Masse »). La Masse sera régie par certaines dispositions du Code de commerce.]</p> <p>La Masse agira par l'intermédiaire d'un représentant (le « Représentant») et d'une assemblée générale des Porteurs de Titres.</p> <p>Que « <i>Masse Complète</i>» ou « <i>Masse Contractuelle</i>» soit applicable, si et aussi longtemps que les Titres d'une Souche sont détenus par un Porteur unique, ce Porteur unique exercera tous les pouvoirs, droits et obligations incombant au Représentant et à l'assemblée générale des Porteurs de Titres.</p>
C.10	Dérivé auquel est lié le paiement des intérêts sur les Titres	<p>Sans objet, les Titres émis dans le cadre du Programme ne sont liés à aucun instrument dérivé.</p> <p>Merci de vous reporter également à l'Élément C.9 ci-dessus.</p>
C.11	Admission à la négociation	<p>Une demande d'admission aux négociations sur le Marché Réglementé de la Bourse de Luxembourg concernant les Titres à émettre dans le cadre du Programme, a été déposée auprès de la Bourse de Luxembourg. Les Titres pourront faire l'objet d'une admission aux négociations sur tout autre marché réglementé de l'EEE, conformément à la Directive Prospectus. Une Souche de Titres peut ne faire l'objet d'aucune cotation.</p> <p>[Une demande d'admission aux négociations des Titres sur [le marché réglementé de la Bourse de Luxembourg] / [●] a été déposée. / Sans objet, les Titres ne sont pas admis aux négociations sur une bourse ou un quelconque marché.]</p>
C.21 ²	Admission à la négociation	<p>Une demande d'admission aux négociations sur le Marché Réglementé de la Bourse de Luxembourg concernant les Titres à émettre dans le cadre du Programme, a été déposée auprès de la Bourse de Luxembourg. Les Titres pourront faire l'objet d'une admission aux négociations sur tout autre marché réglementé de l'EEE, conformément à la Directive Prospectus. Une Souche de Titres peut ne faire l'objet d'aucune cotation.</p> <p>[Une demande d'admission aux négociations des Titres sur [le marché réglementé de la Bourse de Luxembourg] / [●] a été déposée. / Sans objet, les Titres ne sont pas admis aux négociations sur une bourse ou un quelconque marché.]</p>
Section D – Risques		
D.2	Risques clés propres à l'Émetteur	<p>Crédit Mutuel Arkéa opère presque exclusivement dans le secteur bancaire, la finance et l'assurance. Les entités de Crédit Mutuel Arkéa fournissent directement le soutien nécessaire à ces activités (conception, production, distribution et gestion). Comme d'autres banques, l'Émetteur est exposé à divers risques qui incluent notamment :</p> <ul style="list-style-type: none"> - Risque de crédit ; - Risques de marché - Risques structurels de taux et de liquidité ; - Risque de change ; - Risque actions et autres titres à revenu variable et titres immobilisés ; - Risque opérationnel ; - Risque juridique ; - Risque de non-conformité dont le risque de blanchiment ; et - Risques spécifiques à l'activité d'assurance.

² Non requis pour les Titres dont la valeur nominale unitaire est d'au moins 100.000 euros.

		<p>Le risque de crédit est le risque de non remboursement encouru en cas de défaillance d'un emprunteur ou d'emprunteurs considérés comme « un même bénéficiaire », au sens réglementaire de cette expression.</p> <p>Le risque de marché ou risque de prix trouve son origine dans les variations défavorables des paramètres de marché qui ont un impact sur la valeur des instruments financiers inscrits au bilan.</p> <p>Le risque de taux (résultant d'une différence de taux ou d'index de référence entre les emplois et les ressources) est le risque que les mouvements de taux d'intérêt font courir sur les résultats présents et futurs.</p> <p>Le risque de liquidité naît d'une différence de maturité entre les emplois et les ressources. Il peut se traduire par une charge complémentaire en cas de hausse des spreads de liquidité ; dans sa forme la plus extrême, il peut se traduire par une incapacité de l'établissement à honorer ses engagements.</p> <p>Le risque de change se définit comme le risque que la juste valeur où les flux de trésorerie futurs d'un instrument financier fluctuent en raison des variations des cours des monnaies étrangères.</p> <p>Le risque actions apparaît en cas de variation adverse des marchés actions, entraînant une baisse de la valorisation du portefeuille.</p> <p>La notion de risque opérationnel adoptée au sein du Groupe couvre l'ensemble des risques répondant à la définition des réglementations Bâle III et de l'arrêté du 3 novembre 2014.</p> <p>Les risques juridiques sont intégrés dans les risques opérationnels et concernent entre autres l'exposition à des amendes, pénalités et dommages pour faute imputable à l'entreprise au titre de ses opérations.</p> <p>Le risque de non-conformité est défini comme le risque de sanction judiciaire, administrative ou disciplinaire, ou de perte financière significative ou d'atteinte à la réputation qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou Européennes directement applicables ; qu'il s'agisse de normes professionnelles et déontologiques ou d'instructions des dirigeants effectifs prises notamment en application des orientations de l'organe de surveillance.</p> <p>L'assureur est exposé à plusieurs facteurs de risque : les risques techniques de l'assurance-vie (le risque de rachat et le risque de longévité) ; les risques techniques de l'assurance prévoyance et emprunteurs (le risque de mortalité associé au décès de l'assuré qui génère le versement de capitaux, et le risque de morbidité associé à l'arrêt de travail de l'assuré qui entraîne le versement de prestations compensatoires) ; les risques techniques de l'assurance-dommages (le risque de fréquence et le risque de tarification, le risque de sinistralité exceptionnelle) ; le risque de réassurance (inadéquation du programme de réassurance au regard de la stratégie des risques du groupe, et défaut d'un réassureur).</p> <p>L'émetteur est impliqué dans un litige depuis la fin 2014 avec la <i>Confédération Nationale du Crédit Mutuel</i> (la "CNCM"), l'organisme central du Crédit Mutuel, relatif à des craintes que des conflits d'intérêts potentiels empêchent la CNCM, en tant qu'organisme central du Crédit Mutuel d'exercer une supervision administrative, technique et financière effectivement indépendante, l'usage du nom « Crédit Mutuel » et plus récemment la réorganisation de la CNCM en entité coopérative. A ce stade, il n'y a aucune assurance sur le délai ou les moyens de résolution de cette situation ni sur l'impact que celle-ci pourrait avoir sur les Titres, dans l'hypothèse où l'Émetteur restait partie du Crédit Mutuel ou devenait un groupe bancaire indépendant.</p>
D.3	Risques clés propres aux Titres	<p>Il existe certains autres facteurs significatifs pour évaluer les risques afférents aux Titres émis dans le cadre du Programme, y compris :</p> <ul style="list-style-type: none"> - Les risques d'investissement <p>Les Titres pourraient ne pas être adaptés à tous les investisseurs. Avant de prendre leur décision, les investisseurs intéressés doivent comprendre qu'investir dans tout type de Titres comporte des risques et devraient en particulier conduire leur propre analyse et évaluation des risques liés aux Titres.</p>

		<p>- Les risques liés à la structure de certains Titres incluant</p> <p>(i) Les Titres faisant l'objet d'une option de remboursement par l'Émetteur L'existence d'une option de remboursement des Titres a tendance à limiter leur valeur de marché.</p> <p>(ii) Les Titres à Taux Fixe Un investissement dans des Titres à taux fixe implique le risque qu'un changement postérieur des taux d'intérêt sur le marché ait un impact défavorable significatif sur la valeur de la tranche de Titres concernée.</p> <p>(iii) Les Titres à Taux Variable et les Titres Indexés sur CMS La valeur de marché des Titres à Taux Variable ou des Titres Indexés sur CMS peut être volatile si des changements, particulièrement des changements à court terme, sur le marché des taux d'intérêt applicables au taux de référence concerné ne peuvent être appliqués au taux d'intérêt de ces Titres qu'au prochain ajustement périodique du taux de référence concerné.</p> <p>(iv) Taux de rendement des Titres à Taux Fixe Révisable, des Titres à Taux Variable et des Titres Indexés sur CMS Les investisseurs dans les Titres à Taux Fixe Révisable, les Titres à Taux Variable, les Titres Indexés sur CMS et les Titres Indexés sur l'Inflation ne pourront pas calculer par avance leur taux de rendement.</p> <p>(v) Les Titres soumis à des multiplicateurs ou d'autres effets de levier, des plafonds, planchers, ou une combinaison de ces facteurs La valeur de marché de tels Titres peut être plus volatile que celle des titres ne comportant pas ces facteurs.</p> <p>(vi) Les Titres à Taux Fixe-Variable ou Variable-Fixe Les Titres à Taux Fixe-Variable ou Variable-Fixe sont sujet à des changements de bases d'intérêts et peuvent porter intérêt à un taux que l'Émetteur peut décider de changer le taux fixe en taux variable ou un autre taux, ou le taux variable en taux fixe ou un autre taux. La faculté de l'Émetteur de changer le taux d'intérêt affectera le marché secondaire et la valeur de marché des Titres.</p> <p>(vii) Titres dits « Range Accrual » L'émetteur pourra émettre des Titres dits « Range Accrual » dont l'intérêt dépendra du fait qu'un taux défini soit égal à, supérieur(s) à et/ou inférieur(s) à certains niveaux prédéterminés pendant une ou plusieurs périodes et sera calculé en appliquant la formule stipulée dans les Modalités des Titres. Dans le cas où cette condition n'est pas remplie à une ou plusieurs dates tombant dans une Période d'Accumulation des Intérêts ou toute autre période précisée, aucun intérêt ne sera versé à l'égard d'une telle Période d'Accumulation des Intérêts ou l'intérêt sera uniquement versé pour les jours au sein de la Période d'Accumulation des Intérêts pendant lesquels cette condition a été remplie.</p> <p>(viii) Titres à Taux Variable Inverse et Titres à Taux CMS Inverse Les Titres à Taux Variable Inverse et les Titres à Taux CMS Inverse ont un taux d'intérêt égal à un taux fixe moins un taux basé sur un taux de référence (EURIBOR, LIBOR ou EUR CMS). Les valeurs de marché de ces Titres sont habituellement plus volatiles que les valeurs de marché des autres titres de créance à taux variables basés sur le même taux de référence.</p> <p>(ix) Titres à Taux Fixe Réinitialisable Un porteur de Titres à Taux Fixe Réinitialisable avec un taux d'intérêt qui sera réinitialisé périodiquement tant que les Titres concernés sont en circulation, est exposé au risque de fluctuation des niveaux de taux d'intérêt et à des revenus incertains.</p> <p>(x) Titres Structurés</p>
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		<p>Un investissement dans des Titres, tels que certains Titres Indexés sur CMS, Titres à Taux Variable Inverse ou Titres à Taux CMS Inverse, dont l'intérêt est déterminé par référence à une ou plusieurs valeurs de taux d'intérêt ou formules, soit directement, soit inversement, peut comporter des risques significatifs non associés à des investissements similaires dans des titres de créance conventionnels.</p> <p>(xi) Les Titres émis en dessous du pair ou assortis d'une prime d'émission La valeur de marché des titres émis en dessous du pair ou assortis d'une prime d'émission a tendance à être plus sensible aux fluctuations relatives aux variations des taux d'intérêt que les titres portant intérêt classiques.</p> <p>- Les risques généraux liés aux Titres incluant</p> <p>(i) Un remboursement anticipé de l'Emetteur, si les Conditions Définitives le prévoient, pourrait réduire considérablement le rendement attendu par les Porteurs de Titres.</p> <p>(ii) Modification des Modalités applicables aux Titres Les Modalités permettent dans certains cas de contraindre tous les Porteurs de Titres y compris ceux qui n'auraient pas participé ou voté à l'Assemblée Générale ou ceux qui auraient voté dans un sens contraire à celui de la majorité.</p> <p>(iii) Modifications de la législation Les Modalités des Titres sont fondées sur le droit français en vigueur à la date du présent Prospectus de Base. Il n'est pas garanti qu'une décision de justice ou qu'une modification des lois ou de la pratique administrative en vigueur après la date du présent Prospectus de Base ne puisse avoir un impact sur les Titres.</p> <p>(iv) L'Emetteur n'est soumis à aucune restriction d'émettre d'autres obligations de même rang que les Titres et/ou de rang supérieur aux Titres Subordonnés.</p> <p>(v) Absence ou Cas d'Exigibilité Anticipée limitée Un porteur de Titres ne peut demander le remboursement de ses Titres que dans un nombre limité de cas.</p> <p>(vi) Fiscalité Les acquéreurs et les vendeurs potentiels de Titres doivent tenir compte du fait qu'ils pourraient devoir payer des impôts ou autres taxes ou droits selon la loi ou les pratiques en vigueur dans les pays où les Titres seront transférés ou dans d'autres juridictions.</p> <p>(vii) Proposition de taxe sur les transactions financières Le 14 février 2013, la Commission européenne a publié une proposition de directive relative à une taxe commune sur les transactions financières en Belgique, Allemagne, Estonie, Grèce, Espagne, France, Italie, Autriche, Portugal, Slovaquie et Slovaquie. Le 8 décembre 2015, l'Estonie a décidé de ne plus faire partie des Etats Membres Participants.</p> <p>(viii) Droit français des procédures collectives Les droits des Porteurs de Titres peuvent être limités par les dispositions impératives du droit français des procédures collectives.</p> <p>(ix) La transposition du paquet CRD IV La mise en œuvre de CRD IV a continué et continuera à apporter un certain nombre de changements significatifs aux exigences actuelles en matière de capital, de surveillance prudentielle et de systèmes de gestion des risques, y compris ceux de l'Emetteur. En outre, la mise en œuvre du paquet CRD IV pourrait impacter la pondération des Titres à l'égard de certains investisseurs</p>
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dans la mesure où ces investisseurs sont soumis aux nouvelles règles résultant de la mise en œuvre du package CRD IV.

(x) La Directive européenne sur le Redressement et la Résolution

Les pouvoirs conférés aux autorités compétentes dans le cadre de la directive 2014/59/UE du 15 mai 2014 (« **RRD** ») et du règlement (UE) n° 806/2014 du 15 juillet 2014 (« **Règlement SRM** ») ont un impact sur la manière dont les établissements de crédit et les entreprises d'investissement sont gérés ainsi que, dans certaines circonstances, sur les droits des créanciers. En particulier, après transposition complète de la RRD et application du Règlement SRM, les Porteurs de Titres pourront être soumis aux mesures de réduction, annulation ou conversion de leurs droits qui peuvent entraîner pour ces derniers une perte partielle ou totale de leur investissement. L'exercice par les autorités compétentes de l'un quelconque des pouvoirs qui leur sont conférés en application de la RRD et du Règlement SRM ou toute intention d'exercer l'un de ces pouvoirs peut ainsi affecter de manière défavorable les droits des Porteurs de Titres, le prix ou la valeur d'un investissement dans les Titres et/ou la capacité de l'Émetteur à remplir ses obligations au titre des Titres.

- **Les risques liés au marché incluant**

(i) Absence de marché secondaire actif pour les Titres

Les Titres peuvent ne pas avoir de marché de négociation établi lors de leurs émissions et il est possible qu'un marché secondaire de ces Titres ne se développe jamais.

(ii) Les risques de taux de change et de contrôles des changes

L'Émetteur paiera le principal et les intérêts des Titres dans la devise prévue. Ceci présente certains risques de conversion des devises si les activités financières d'un investisseur sont effectuées principalement dans une monnaie ou une unité monétaire différente de la devise prévue.

(iii) Les notations de crédit

Les notations peuvent ne pas refléter l'effet potentiel de tous les risques liés aux facteurs structurels, de marché ou autres qui sont décrits dans ce chapitre et à tous les autres facteurs qui peuvent affecter la valeur des Titres. Une notation ne constitue pas une recommandation d'acheter, de vendre ou de détenir les Titres, et peut être révisée ou retirée par l'agence de notation à tout moment.

(iv) Des considérations juridiques d'investissement

L'activité d'investissement de certains investisseurs est soumise aux lois et réglementations sur les critères d'investissement, ou au contrôle de certaines autorités. Les institutions financières devraient consulter leurs conseils juridiques ou le régulateur approprié afin de déterminer le traitement approprié des Titres en application des règles prudentielles ou de toute autre règle similaire.

(v) Valeur de marché des Titres

La valeur de marché des Titres pourra être affectée par la qualité de crédit de l'Émetteur et/ou du Groupe et par d'autres facteurs additionnels, y compris, sans que cette liste soit exhaustive, l'intérêt du marché, les taux de rendement et d'intérêt sur le marché, la durée restante jusqu'à la date d'échéance, des facteurs économiques, financiers ou politiques en France ou ailleurs.

(vi) Les intérêts des Agents Placeurs.

Certains Agents Placeurs et leurs affiliés ont été impliqués, et peuvent à l'avenir être impliqués dans des opérations de banque commerciale ou d'investissement et, et peut exécuter des services pour l'Émetteur et ses affiliés dans le cours normal des affaires.

(vii) Les intérêts de l'Agent de Calcul

Un conflit d'intérêt peut surgir entre l'Émetteur et les Porteurs de Titres lorsque l'Émetteur ou une de ses filiales agit en tant qu'Agent de Calcul pour

		<p>déterminer les montants payables à l'égard des Titres suivant les Conditions.</p> <p>- Les risques additionnels relatifs aux Titres Subordonnés</p> <p>(i) Les Titres Subordonnés sont des instruments complexes qui pourraient ne pas convenir à certains investisseurs.</p> <p>(ii) Les obligations de l'Émetteur au titre des Titres Subordonnés et les Coupons qui y sont attachés (le cas échéant), constituent des engagements subordonnés et non assortis de sûretés.</p> <p>(iii) Les Titres Subordonnés ne contiennent pas de cas de défaut.</p> <p>(iv) Les Titres Subordonnés peuvent faire l'objet d'un remboursement au gré de l'Émetteur ou en cas de survenance d'un Évènement Fiscal ou d'un Évènement de Fonds Propres.</p> <p>(v) L'Émetteur ne sera pas tenu de rembourser les Titres Subordonnés s'il lui est interdit par le droit français de payer des montants additionnels.</p>
Section E – Offre		
E.2b	Raison de l'offre et Utilisation du produit de l'offre	[Le produit net de l'émission des Titres sera utilisé par l'Émetteur pour ses besoins généraux / Autre (<i>préciser</i>).]
E.3	Modalités et conditions de l'offre	<p>[Les Titres seront offerts au public en [●].]/[Aucune offre au public n'est faite ou envisagée.]</p> <p>Le montant total de l'[émission]/[offre] est [●]</p> <p>[Période d'Offre : Du [●] au [●]]</p> <p>Prix de l'Offre : [Prix d'émission]/[●]</p> <p>Conditions auxquelles l'Offre est soumise : [●]</p> <p>Description du processus de souscription: [●]</p> <p>Détails concernant le montant minimum ou maximum de de souscription : [●]</p> <p>Modalités et date à laquelle les résultats de l'Offre seront annoncés au public : [●]</p>
E.4	Intérêt des personnes physiques ou morales pouvant influencer sensiblement sur l'émission/l'offre	[Sans objet, à la connaissance de l'Émetteur, aucune personne participant à l'émission n'y a d'intérêt significatif.]/[L'Agent Placeur percevra des commissions d'un montant de [●]% du montant en principal des Titres. A la connaissance de l'Émetteur, aucune autre personne participant à l'émission n'y a d'intérêt significatif.]. [●].
E.7	Dépenses facturées à l'investisseur par l'Émetteur ou l'offreur	[Les dépenses mises à la charge à l'investisseur sont estimées à [●]. / Sans objet, aucune dépense ne sera mise à la charge de l'investisseur.]

RISK FACTORS

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The risk factors may relate to the Issuer or any of its subsidiaries.

The Issuer believes that the factors described below represent principal risks inherent in investing in Notes issued under the Programme. Investors must be aware that other risks and uncertainties which, on the date of this Base Prospectus, are not known of by the Issuer, or are considered not to be relevant, may have a significant impact on the Issuer, its activities, its financial condition and the Notes. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and the Final Terms of the relevant Notes and make their own opinion about risk factors prior to making any investment decision. Investors should in particular conduct their own analysis and evaluation of the risks relating to the Issuer, its financial condition and the Notes.

The Issuer considers that the Notes shall only be purchased by investors which are (or are advised by) financial institutions or other professional investors who have sufficient knowledge and experience to appropriately evaluate the risks associated with the Notes.

Words and expressions defined elsewhere in this Base Prospectus shall have the same meanings when used below.

1. RISK FACTORS RELATING TO THE ISSUER AND ITS ACTIVITY

The Issuer is subject to several categories of risks inherent in banking activities, which include, *inter alia*, credit risks, market, liquidity and financing risks, as well as operational risks.

Investors are invited to read the detailed information on risk factors relating to the Issuer and its activity set out in the 2015 Registration Document (pages 159 to 194) incorporated by reference herein (See "Documents Incorporated by Reference").

The Issuer has been involved in a dispute since late 2014 with the *Confédération Nationale du Crédit Mutuel* (the "CNCM"), the central body of the Crédit Mutuel, relating to concerns that the alleged conflicts of interest prevent the CNCM, as the central body of the Crédit Mutuel, from exercising effective independent administrative, technical and financial supervision of the group, the use of the "Crédit Mutuel" name and more recently the reorganization of the CNCM as a cooperative entity. This dispute has resulted in a number of court cases involving the Issuer and the CNCM. A number of press releases have been published by both the Issuer and the CNCM relating to this dispute including those published by the Issuer on 6 and 13 October 2014 and potential investors are referred to the information contained in these press releases which are incorporated by reference for a more detailed description of the disputes. On 3 May 2016, the Issuer opened talks with the CNCM in order to acknowledge the existence of two autonomous and competing banking groups, namely Credit Mutuel Arkea and CM11-CIC. This proposal has been rejected by the CNCM as described in a press release published by the CNCM on 18 May 2016. The Issuer has published a press release as contained in "Recent Developments" below insisting on its desire to operate as an independent banking group. At this stage, there can be no assurance as to when or the manner in which this situation may be resolved nor the impact it may have on the value of the Notes were it to remain a part of the current Crédit Mutuel or become an independent banking group.

2. RISK FACTORS RELATING TO THE NOTES

The following paragraphs describe some of the risk factors that are material to the Notes in order to assess the market risk associated with these Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances.

2.1 The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

2.2 Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Fixed Rate Notes

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.

Floating Rate Notes and CMS Linked Notes

Investment in Notes such as Floating Rate Notes and CMS Linked Notes which bear interest at a floating rate comprise, *inter alia*, (i) a reference rate and (ii) a margin or an applicable rate to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin or the applicable rate, as the case maybe, will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Neither the current nor the historical value of the relevant interest rates should be taken as an indication of future performance of such interest rates during the term of any Notes. Accordingly, the market value of Floating Rate Notes and the CMS Linked Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

Investors will not be able to calculate in advance their rate of return on the Fixed Rate Resetable Notes, the Floating Rate Notes and CMS Linked Notes

Interest income on the Fixed Rate Resetable Notes, the Floating Rate Notes and CMS Linked Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Fixed Rate Resetable Notes, Floating Rate Notes or CMS Linked Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having fixed interest periods. Investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to also issue fixed rate notes may affect the market value and the secondary market (if any) of the Fixed Rate Resetable Notes, the Floating Rate Notes or CMS Linked Notes (and *vice versa*).

Notes with a multiplier or other leverage factors caps, floors or a combination of those features

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those of securities that do not include those features. A leverage factor may be applied to certain Notes in order to determine the interest amount payable on such Notes. Such leverage factor will magnify any negative performance of any applicable underlying reference rate.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to or which automatically upon the occurrence of certain events or one or more specified dates, convert from a fixed rate to a floating rate or other rate, or from a floating rate or other rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate or other rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate or other rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate or other rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Range Accrual Notes

Notes may also be issued by the Issuer as "Range Accrual Notes" where the interest in respect of such Notes will be conditional upon one applicable rate being equal to, greater than and/or less than certain predetermined levels on one or more periods as set out in the relevant Final Terms and calculated by reference to the formula specified in the Terms and Conditions of the Notes. In the event that such conditionality is not satisfied in respect of one or more dates falling within any interest accrual period or other specified period, no interest may be payable in respect of such interest accrual period or interest will only be paid in respect only of those days in the interest accrual period on which such conditionality has been satisfied.

Inverse Floating Rate Notes/Inverse CMS Rate Notes

Inverse Floating Rate Notes and Inverse CMS Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate (EURIBOR, LIBOR or EUR CMS). The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes and Inverse CMS Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of such Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed Rate Resetable Notes

A holder of Fixed Rate Resetable Notes with a fixed interest rate that will be periodically reset during the term of the relevant securities is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Such Notes have reset provisions pursuant to which the Notes will, in respect of an initial period, bear interest at an initial fixed rate of interest specified in the applicable Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) as specified in the relevant Final Terms by reference to a mid-market swap rate for the relevant Specified Currency, and for a period equal to the Reset Period, as adjusted for any applicable margin, in each case as may be specified in the relevant Final Terms.

Structured Notes

An investment in Notes, such as certain CMS Linked Notes, Inverse Floating Rate Notes or Inverse CMS Rate Notes, the interest on which is determined by reference to one or more values of interest rates or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time. Neither the current nor the historical value of the relevant interest rates or formulae should be taken as an indication of future performance interest rates or other indices or formulae during the term of any Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

2.3 Risks related to Notes generally

Set out below is a description of certain risks relating to the Notes generally:

Any early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer, subject, in the case of Subordinated Notes, to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*). Such right of termination is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of termination increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Modification of the Conditions

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse*, as defined in Condition 11, and a General Meeting can be held. The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority. The General Meeting may 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, as more fully described in Condition 11.

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Base Prospectus.

The Issuer is not prohibited from issuing further debt, which may rank pari passu with the Senior Notes

The terms and conditions of the Senior Notes place no restriction on the amount of debt that the Issuer may issue that ranks *pari passu* with the Senior Notes. The issue of any such debt or securities may reduce the amount recoverable by holders upon liquidation of the Issuer.

Limited, or absence of, events of default

The holder of any Senior Note may only give notice that such Senior Note is immediately due and repayable in a limited number of events. Such events of default do not include, for example, any other present or future

indebtedness for money borrowed or otherwise raised by the Issuer becoming due and payable prior to its stated maturity by reason of default by the Issuer.

In no event will holders of the Subordinated Notes be able to accelerate the maturity of their Subordinated Notes, except in the event of the liquidation of the Issuer. Accordingly, in the event that any payment on the Subordinated Notes is not made when due, the holders will have claims only for amounts then due and payable on their Subordinated Notes. See Condition 9 (*Events of Default*) for further information.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. Potential investors are also advised to ask for their own tax adviser's advice on their individual taxation when payments of interest and other revenues with respect to the Notes are made by a paying agent (within the meaning of Council Directive 2003/48/EC) established in Austria. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and in the additional tax sections, if any, contained in any relevant supplement to the Base Prospectus.

The proposed financial transactions tax

On 14 February 2013, the European Commission has published a proposal for a directive for a common financial transaction tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). On 8 December 2015 Estonia indicated that it will no longer be a Participating Member State.

The proposed FTT has a very broad scope, and could, if introduced in its current draft form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The FTT shall, however, not apply to (*inter alia*) primary market transactions referred to in Article 5 (c) of Regulation (EC) No. 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The FTT could apply to persons both within and outside of the Participating Member States.

The FTT proposal remains subject to discussions between the Participating Member States. It may therefore be altered prior to any implementation. Additional Member States may decide to participate. Prospective Holders of the Notes are advised to seek their own professional advice in relation to the FTT.

French Insolvency Law

Subject to the provisions of the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *Masse*, as defined in Condition 11. However, under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), accelerated preservation (*procédure de sauvegarde accélérée*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note Programme) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;

- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third (2/3) majority (calculated as a proportion of the amount of debt securities held by the holders who have cast a vote at such Assembly). No quorum is required to convoke of the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus and, if applicable, the relevant Final Terms will only be applicable with respect to the Assembly to the extent they do not conflict with compulsory insolvency law provisions that apply in these circumstances.

Implementation of CRD IV package

Under EU legislation through the "CRD IV package" which consists of the Capital Requirements Directive no. 2013/36/EU dated 26 June 2013 and the Capital Requirements Regulation no. 575/2013 dated 26 June 2013. A number of requirements arising from the CRD IV package was implemented under French law by the Banking Law (as defined below), as amended by the *Ordonnance* referred to in the risk factor "EU Resolution and Recovery Directive" below. The implementation of the CRD IV package was finalized under French law by *Ordonnance* no. 2014-158 dated 20 February 2014 at the legislative level and by several *décrets* and *arrêtés* dated 3 November 2014.

The implementation of CRD IV package has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of CRD IV package will depend on the particular asset structure of each bank and its precise impact on the Issuer cannot be quantified with certainty at this time. The Issuer may operate its business in ways that are less profitable than its present operation in complying with the new guidelines resulting from the transposition and application of the CRD IV package.

In addition, the implementation of CRD IV package could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation of the CRD IV package. Accordingly, recipients of this Base Prospectus should consult their own advisers as to the consequences and effects the implementation of the CRD IV package could have on them.

EU Resolution and Recovery Directive

The Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms dated 15 May 2014 (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") entered into force on 2 July 2014. The BRRD provides authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest:

- (i) sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms;
- (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);
- (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and

- (iv) bail-in which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims including Notes to equity, which equity could also be subject to any future application of the bail-in tool (the "**bail-in tool**").

The BRRD also provides the right for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances). The BRRD provides that it had to be applied by Member States as from 1 January 2015, except for the bail-in tool which became effective since 1 January 2016.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

Bail-in enables the resolution authority to write down subordinated or non-subordinated debt of a failing institution and/or convert them to equity, which equity could also be subject to any reduction or written down. When applying bail-in the resolution authority must first reduce or cancel common equity tier one, thereafter reduce, cancel, convert additional tier one instruments, then tier two instruments and other subordinated debts to the extent required and up to their capacity. If only this total reduction is less than the amount needed, the resolution authority will reduce or convert to the extent required the principal amount or outstanding amount payable in respect of unsecured creditors in accordance with the hierarchy of claims in normal insolvency proceedings.

Under the BRRD, the Notes may be subject to write-down or conversion into equity on any application of the bail-in tool, which may result in Noteholders losing some or all of their investment. The exercise of any power under the BRRD and its implementing provisions or any suggestion of such exercise could therefore materially adversely affect the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes.

The implementation of the BRRD into French law has been made by two texts of legislative nature. Firstly, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) (as modified by the *ordonnance* dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*)) (the "**Banking Law**") implementing partially the BRRD in anticipation. Secondly, *Ordonnance* No. 2015-1024 dated 20 August 2015 (*Ordonnance n°2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the "**Ordonnance**"), published in the Official Journal of the French Republic dated 21 August 2015, which has introduced various provisions amending (among others, crisis prevention and management measures applicable to credit institutions provided for in Articles L.613-48 *et seq.* of the French *Code monétaire et financier*) and supplementing the Banking Law to adapt French law to the BRRD.

The *Ordonnance* is in effect and certain provisions, including those relating to the minimum requirement for own funds and eligible liabilities ("**MREL**") and the bail-in tool have been in effect since 1 January 2016.

Under the *Ordonnance*, French credit institutions (such as the Issuer) have to meet, at all times, a minimum requirement for own funds and eligible liabilities pursuant to Article L.613-44 of the French *Code monétaire et financier*. The MREL shall be expressed as a percentage of the total liabilities and own funds of the institution and aims at avoiding institutions structuring their liabilities in a manner that impedes the effectiveness of the bail-in tool.

Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund has established a centralised power of resolution and entrusted to a Single Resolution Board and to the national resolution authorities. Starting on 1 January 2015, the Single Resolution Board works in close co-operation with the *Autorité de contrôle prudentiel et de résolution* (ACPR), in particular in relation to the elaboration of resolution planning, and assumes full resolution powers since 1 January 2016.

2.4 Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and a number of additional factors, including, but not limited to, market interest, yield and rates and the time remaining to the maturity date.

The market value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity or redemption, as the case may be, may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Interests of the Dealers

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies.

Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme.

The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Conflicts of Interest – Issuer acts as Calculation Agent

Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgments that the Calculation Agent may make pursuant to the Conditions that may influence any amount payable under the Notes.

2.5 Additional Risks relating to Subordinated Notes

Subordinated Notes are complex instruments that may not be suitable for certain investors

Subordinated Notes are novel and complex financial instruments and may not be a suitable investment for all investors. Each potential investor in the Subordinated Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Subordinated Notes, including the possibility that the entire principal amount of the Subordinated Notes could be lost. A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Subordinated Notes will perform under changing conditions, the resulting effects on the market value of the Subordinated Notes, and the impact of this investment on the potential investor's overall investment portfolio.

Subordinated obligations

The Issuer's obligations under the Subordinated Notes are unsecured and subordinated and will rank junior in priority of payment to unsubordinated creditors (including depositors) of the Issuer, and creditors in respect of other subordinated obligations ranking or expressed to rank senior to the Subordinated Notes, as more fully described in Condition 3(b) (*Status of Subordinated Notes*).

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes will be subordinated to the payment in full of unsubordinated creditors (including depositors) and any other creditors (including other subordinated creditors) whose claims rank senior to the Subordinated Notes. In the event of incomplete payment of unsubordinated creditors (and subordinated creditors ranking senior to any Subordinated Notes) upon the liquidation of the Issuer, the obligations of the Issuer in connection with the Subordinated Notes will be terminated.

Although the Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a substantial risk that investors in subordinated notes such as the Subordinated Notes will lose all or some of their investment if the Issuer becomes insolvent.

The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Subordinated Notes

There is no restriction on the amount of debt (whether unsubordinated or subordinated) that the Issuer may issue that ranks senior to the Subordinated Notes or on the amount of securities that it may issue that rank *pari passu* with the Subordinated Notes. The issue of any such debt or securities may reduce the amount recoverable by investors upon the Issuer's bankruptcy. If the Issuer's financial condition were to deteriorate, the holders of Subordinated Notes could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if the Issuer were liquidated (whether voluntarily or involuntarily), the holders of Subordinated Notes and, where applicable, any related Coupons, could suffer loss of their entire investment.

No Events of Default for Subordinated Notes

Subordinated Notes do not contain any events of default. In no event will holders of Subordinated Notes be able to accelerate the maturity of their Subordinated Notes. Accordingly, if the Issuer fails to meet any obligations under the Notes, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders of Subordinated Notes and where applicable, any related Coupons for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

The Subordinated Notes may be redeemed at the Issuer's option or upon the occurrence of a Tax Event or Capital Event

In addition to its right to redeem Notes in the other circumstances described in Condition 6 (*Redemption, Purchase and Options*) and subject as provided herein, in particular to the approval of the Relevant Regulator and the other conditions in Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*) the Issuer may, at its option, redeem all, but not some only, of the Subordinated Notes at any time at their outstanding principal amount plus accrued and unpaid interest, upon the occurrence of a Capital Event or a Tax Event. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Subordinated Notes.

The Issuer will not be required to redeem the Subordinated Notes if it is prohibited by French law from paying additional amounts

In the event that the Issuer is required to withhold amounts in respect of taxes from payments of interest on the Subordinated Notes, the terms and conditions of the Subordinated Notes provide that, subject to certain exceptions, the Issuer will pay additional amounts so that the holders of the Subordinated Notes will receive the amount they would have received in the absence of such withholding. Under French tax law, there is some uncertainty as to whether the Issuer may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the issuer must redeem the debt instruments in full. However, Applicable Banking Regulations may, and generally do, provide that mandatory redemption clauses are not permitted for instruments benefitting from specific capital adequacy treatment. For example, Article 63 of the CRD IV Regulation provides that mandatory redemption clauses are not permitted in a Tier 2 instrument which certain Subordinated Notes may constitute. As a result, the terms and conditions of the Subordinated Notes do not provide for mandatory redemption in such a case. As a consequence, in such a case, holders will receive less than the full amount due under the Subordinated Notes, and

the market value of the Subordinated Notes will be adversely affected, unless the Issuer is able and willing to redeem the Subordinated Notes pursuant to one of the early redemption or repurchase options provided for in Condition 6 (subject to approval of the Relevant Regulator).

CONSENT GIVEN IN ACCORDANCE WITH ARTICLE 3.2 OF THE PROSPECTUS DIRECTIVE (RETAIL CASCADES)

In the context of any offer of Notes from time to time in France and/or Grand Duchy of Luxembourg, as specified in the relevant Final Terms (the "**Non-exempt Offer Jurisdictions**") that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive (a "**Non-exempt Offer**"), the Issuer accepts responsibility, in each Non-exempt Offer Jurisdiction for which it has given its consent referred to herein, for the content of the Base Prospectus in relation to any person (an "**Investor**") to whom an offer of any Notes is made by any financial intermediary to whom it has given its consent to use the Base Prospectus (an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and where the offer is made in the Non-exempt Offer Jurisdiction specified in the relevant Final Terms for which that consent is given and is in compliance with all other conditions attached to the giving of the consent and in particular if the relevant financial intermediary satisfies the following conditions:

- to act in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor;
- to comply with the restrictions set out under "Subscription and Sale" in this Base Prospectus which would apply as if it were a Dealer;
- to ensure that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes is fully and clearly disclosed to investors or potential investors;
- to hold all licenses, consents, approvals and permissions required in connection with solicitation of interests in, or offers or sales of, the Notes under the Rules;
- to retain investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery and "know your client" rules applying to the Issuer and/or the relevant Dealer(s);
- to do not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or any requirement to obtain or make any filing, authorisation or consent in any jurisdiction.

However, neither the Issuer nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

If so specified in the Final Terms of any Tranche of Notes, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of the relevant Notes during the Offer Period specified in the relevant Final Terms (the "**Offer Period**") either (1) in Non-exempt Offer Jurisdiction(s) specified in the relevant Final Terms, by any financial intermediary which is authorised to make such offer under the Markets in Financial Instruments Directive (Directive 2004/39/EC), as amended, and which satisfies any conditions specified in the relevant Final Terms or (2) by the financial intermediaries, in the relevant Non-exempt Offer Jurisdiction(s) and subject to the relevant conditions, in each case specified in the relevant Final Terms, for so long as they are authorised to make such offer under the Markets in Financial Instruments Directive (Directive 2004/39/EC), as amended.

The consent referred to above relates to Offer Periods (if any) beginning within twelve (12) months from the date of the approval of the Base Prospectus by the CSSF.

The Issuer may give consent to additional financial intermediaries after the date of the relevant Final Terms and, if it does so, the Issuer will publish the above information in relation to them on http://www.arkea.com/banque/assurance/credit/mutuel/ecb_5008/fr/analyste-ou-investisseur. Such consent shall not extend beyond twelve months from the date of this Base Prospectus.

Any Authorised Offeror who wishes to use the Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website that it is using the Base Prospectus for such Non-exempt Offer in accordance with the consent of the Issuer and the conditions attached thereto.

To the extent specified in the relevant Final Terms, a Non-exempt Offer may be made during the relevant Offer Period by any of the Issuer, the Dealers or any relevant Authorised Offeror in any relevant Non-exempt Offer Jurisdiction and subject to any relevant conditions, in each case all as specified in the relevant Final Terms.

Other than as set out above, neither the Issuer nor any of the Dealers has authorised the making of any Non-exempt Offer by any person in any circumstances and such person is not permitted to use the Base Prospectus in connection with its offer of any Notes. No such offers are made on behalf of the Issuer or by any of the Dealers or Authorised Offerors and none of the Issuer or any of the Dealers or Authorised Offerors has, or takes, any responsibility or liability for the actions of any person making such Non-exempt Offers.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements (the "Terms and Conditions of the Non-exempt Offer"). The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Non-exempt Offer shall be published by that Authorised Offeror on its website at the relevant time. None of the Issuer, any of the Dealers or other Authorised Offerors has, or takes any responsibility or liability for such information.

GENERAL DESCRIPTION OF THE PROGRAMME

Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this general description.

Issuer: Crédit Mutuel Arkéa

Arranger: Crédit Agricole Corporate and Investment Bank
Dealers: Crédit Agricole Corporate and Investment Bank
Crédit Mutuel Arkéa
DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main
J.P. Morgan Securities plc
Landesbank Baden-Württemberg
NATIXIS

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

Description: Euro Medium Term Note Programme.

Programme Limit: Up to €13,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

Fiscal Agent, Principal Paying Agent and Paying Agent: BNP Paribas Securities Services

Luxembourg Listing Agent: BNP Paribas Securities Services, Luxembourg Branch

Method of Issue: The Notes may be offered to the public or not and/or admitted to trading or not, in each case on a syndicated or non-syndicated basis.

The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.

Maturities: Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Japanese Yen, Swiss francs, Sterling and in any other currency agreed between the Issuer and the relevant Dealer(s).

Denomination(s): Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms, save that all Notes which are to be admitted to trading on a Regulated Market or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of €1,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time in relation to the relevant Specified Currency. Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or

its equivalent.

Dematerialised Notes shall be issued in one denomination only.

Status of the Notes:

The Senior Notes will constitute unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and save for such exceptions as may be provided by applicable legislation and subject to the negative pledge provision described below, shall rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present or future.

The Subordinated Notes, and, where applicable, any Coupons relating to them, will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any present or future obligations or capital instruments of the Issuer which constitute Tier 2 Capital of the Issuer and (b) any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank equally with the Subordinated Notes;
- (iii) senior to any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits Super subordonnés* or *engagements subordonnés de dernier rang*);
- (iv) junior to (a) any present and future unsubordinated creditors (including depositors) of the Issuer and (b) any present or future subordinated creditors of the Issuer other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes in respect of such Subordinated Notes and including, where applicable, the Coupons relating to them, shall be subordinated to the payment in full of all unsubordinated creditors (including depositors) and subordinated creditors of the Issuer other than the present or future claims of creditors ranking *pari passu* with or junior to the Subordinated Notes, as aforesaid, and, subject to such payment in full, the holders of the Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits Super subordonnés* or *engagements subordonnés de dernier rang*).

In the event of incomplete payment of unsubordinated creditors and subordinated claims ranking ahead of the claims of holders of Subordinated Notes and including, where applicable, the Coupons relating to them, the obligations of the Issuer in connection with the Subordinated Notes will be terminated.

If an insolvency proceeding or voluntary liquidation applies to the Issuer, the holders of the Subordinated Notes and including, where applicable, the Coupons relating to them, shall be responsible for taking all steps necessary to preserve the rights they may have against the Issuer.

Negative Pledge:

The Issuer will undertake not to grant any security in respect of any other bond or similar indebtedness issued or guaranteed by it without granting similar security to any outstanding Senior Notes.

There is no negative pledge in respect of Subordinated Notes.

Events of Default:	The terms of the Notes will contain events of default in respect of the Notes as set out in Condition 9.
Redemption Amount:	Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the redemption amounts payable calculated in accordance with the applicable Conditions.
Optional Redemption:	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so the terms applicable to such redemption.
Early Redemption:	<p>Except as provided in "Optional Redemption" above, Senior Notes will be redeemable at the option of the Issuer prior to their stated maturity only for tax reasons.</p> <p>Any redemption of the Subordinated Notes prior to the Maturity Date is subject to various conditions including in particular the prior approval of the Relevant Regulator.</p>
Withholding Tax:	<p>All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If such a withholding or deduction is required by the French law, the Issuer will have to gross-up its payments to the fullest extent then permitted by law and subject to certain exceptions.</p> <p>For a description of the French withholding tax rules, see Condition 8 and "Taxation" section.</p>
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of Interest Accrual Periods permits the Notes to bear interest at different rates in the same interest period. All such information (except the method of calculation) will be set out in the relevant Final Terms.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Fixed Rate Resettable Notes:	Fixed Rate Resettable Notes will initially bear interest at a fixed rate and will then be resettable, as specified in the relevant Final Terms.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2007 FBF Master Agreement relating to transactions on forward financial instruments, as supplemented by the then applicable Interest and Currency Technical Annex (<i>Echange de conditions d'Intérêt ou de Devises - Additif Technique</i>) published by the AFB or the FBF, or (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service, which shall be either EURIBOR or LIBOR, <p>in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both and/or rate multiplier.</p>

Fixed/Floating Rate Notes	Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert, or that will automatically change, on one or more dates set out in the Final Terms from one specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate and/or CMS Rate) to another specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate and/or CMS Rate).
CMS Linked Notes	Payments of interest in respect of CMS Linked Notes shall be calculated by reference to one or more CMS Rates and by applying one of the formulae specified in the Terms and Conditions of the Notes. Such Notes may have a maximum rate of interest, a minimum rate of interest or both and/or rate multiplier.
Range Accrual Notes	Notes may be issued by the Issuer as Range Accrual Notes where the interest in respect of any Notes with respect to one or more Interest Accrual Periods will be conditional upon the reference rate (EURIBOR, LIBOR or EUR CMS or any combination thereof) specified in the relevant Final Terms being equal to, lower than and/or greater than pre-determined rates on one or more days during a specified period specified in the relevant Final Terms and, if any such condition is not satisfied during the specified period, then no interest shall be payable in respect of such Range Accrual Note in respect of such Interest Accrual Period.
Inverse Floating Rate Notes and Inverse CMS Rate Notes	The Rate of Interest in respect of Inverse Floating Rate Notes or Inverse CMS Rate Notes, as the case may be, for each Interest Accrual Period, shall be equal to a Fixed Rate minus a Floating Rate or a CMS Rate, as the case may be.
Zero Coupon Notes:	Zero Coupon Notes may be issued at par or at a discount to it and will not bear interest.
Redenomination:	Notes issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1 (d).
Consolidation:	Notes of one Series may be consolidated with Notes of another Series as more fully provided in Condition 13(b).
Form of Notes:	Notes may be issued in either dematerialised form (" Dematerialised Notes ") or in materialised form (" Materialised Notes "). Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (<i>au porteur</i>) or in registered form (<i>au nominatif</i>) and, in such latter case, at the option of the relevant holder, in either fully registered form (<i>au nominatif pur</i>) or administered form (<i>au nominatif administré</i>). No physical documents of title will be issued in respect of Dematerialised Notes. Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.
Governing Law:	French.
Clearing Systems:	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.
Initial Delivery of Dematerialised Notes:	One (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
Initial Delivery of Materialised Notes:	On or before the issue date for each Tranche of Materialised Notes, the

Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).

Issue Price:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Listing and Admission to Trading:

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Notes may be admitted to trading on any other Regulated Market in the EEA in accordance with the Prospectus Directive as specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Offer to the public:

The Notes may be offered to the public in any Member State of the EEA if so specified in the relevant Final Terms and in accordance with any applicable laws and regulations.

Rating:

Senior Notes to be issued under the Programme are expected to be rated A/A-1 by Standard & Poor's Credit Market Services France SAS ("**S&P**"). Subordinated Notes to be issued under the Programme are expected to be rated BBB by S&P.

As at the date of this Base Prospectus, S&P is established in the European Union, registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**") and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.

Selling Restrictions:

There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions.

The Issuer is Category 1 for the purposes of Regulation S.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor regulation issued under the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B) unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) or any successor regulation issued under Code section 4701(b) containing rules identical to those currently applying under Code section 163(f)(2)(B) (the "**C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously published and filed with the CSSF and which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- (a) the sections referred to in the table below, included in the English translation of the 2015 registration document of the Issuer - filed with the French *Autorité des marchés financiers* under reference D.16-0306 on 8 April 2016 (the "**2015 Registration Document**") containing the audited consolidated annual financial statements and audit report for the financial year ended 31 December 2015 of the Issuer (the "**2015 Consolidated Financial Statements**");
- (b) the sections referred to in the table below, included in the English translation of the 2014 registration document of the Issuer (the "**2014 Registration Document**") containing the English language version of the audited consolidated annual financial statements and audit report for the financial year ended 31 December 2014 of the Issuer (the "**2014 Consolidated Financial Statements**");
- (c) the two press releases published by the Issuer dated 6 and 13 October 2014 respectively; and
- (d) the sections "Terms and Condition of the Notes" of the following bases prospectuses relating to the Programme (i) base prospectus dated 21 July 2015 (pages 56 to 87) (the "**2015 EMTN Conditions**"), (ii) base prospectus dated 13 June 2014 (pages 48 to 73) (the "**2014 EMTN Conditions**"), (iii) base prospectus dated 11 June 2013 (pages 39 to 61) (the "**2013 EMTN Conditions**"), (iv) base prospectus dated 29 May 2012 (pages 38 to 63) (the "**2012 EMTN Conditions**"), (v) base prospectus dated 27 May 2011 (pages 37 to 61) (the "**2011 EMTN Conditions**"), (vi) base prospectus dated 27 May 2010 (pages 39 to 63) (the "**2010 EMTN Conditions**"), (vii) base prospectus dated 25 May 2009 (pages 35 to 60) and its supplement dated 30 March 2010 (page 7) (the "**2009 EMTN Conditions**"), (viii) base prospectus dated 10 July 2008 (pages 41 to 65) and its supplement dated 26 March 2009 (page 2) (the "**2008 EMTN Conditions**"), (ix) base prospectus dated 13 July 2007 (pages 30 to 54) (the "**2007 EMTN Conditions**"), (x) base prospectus dated 12 July 2006 (pages 27 to 51) (the "**2006 EMTN Conditions**"), (xi) offering circular dated 5 September 2005 (pages 26 to 50) (the "**2005 EMTN Conditions**") and (xii) offering circular dated 23 June 2004 (pages 15 to 47) (the "**2004 EMTN Conditions**", together with the 2014 EMTN Conditions, the 2013 EMTN Conditions, the 2012 EMTN Conditions, the 2011 EMTN Conditions, the 2010 EMTN Conditions, the 2009 EMTN Conditions, the 2008 EMTN Conditions, the 2007 EMTN Conditions, the 2006 EMTN Conditions and the 2005 EMTN Conditions, the "**EMTN Previous Conditions**") for the purpose only of further issue of Notes to be assimilated (*assimilables*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

All documents incorporated by reference in this Base Prospectus may be obtained without charge, on request, at the principal offices of the Issuer and the Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding. Such documents will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below. Any information not listed in the cross reference list but included in the documents incorporated by reference is considered as additional information, is not required by the schedules of the Commission Regulation (EC) No 809/2004 of April 2004, as amended and is given for information purposes only.

INFORMATION INCORPORATED BY REFERENCE (Annex XI of the European Regulation 809/2004/EC)	REFERENCE
2. STATUTORY AUDITORS.	
2.1. Names and addresses of the Issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	Page 254 of the 2015 Registration Document
2.2. If auditors have resigned, been removed or not been reappointed during the period covered by the historical financial information, details if material.	Not Applicable

3. RISK FACTORS	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed «Risk Factors».	Pages 159 to 194 of the 2015 Registration Document
4. INFORMATION ABOUT THE ISSUER	
4.1. History and development of the Issuer	Page 11 of the 2015 Registration Document
4.1.1. the legal and commercial name of the issuer	Page 250 of the 2015 Registration Document
4.1.2. the place of registration of the issuer and its registration number	Page 250 of the 2015 Registration Document
4.1.3. the date of incorporation and the length of life of the issuer	Page 250 of the 2015 Registration Document
4.1.4. the domicile and legal form of the issuer, applicable law, its country of incorporation, and the address and telephone number of its registered office	Page 250 of the 2015 Registration Document
4.1.5. any recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer's solvency.	Page 11, 74 and 152 of the 2015 Registration Document
5. BUSINESS OVERVIEW	
5.1. Principal activities:	Pages 12 to 17 of the 2015 Registration Document
5.1.1. A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed	Pages 12 to 17 of the 2015 Registration Document
5.1.2. An indication of any significant new products and/or activities	Pages 19 to 22 of the 2015 Registration Document
5.1.3. Principal markets A brief description of the principal markets in which the issuer competes	Pages 8 and 9 of the 2015 Registration Document
6. ORGANISATIONAL STRUCTURE	
6.1 If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	Pages 8, 9 and 23 of the 2015 Registration Document
7. TREND INFORMATION	
7.2 Information on any known trend	Page 74 of the 2015 Registration Document
9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
9.1. Names, business addresses and functions in the issuer and an indication of the principal activities performed outside the issuer of:	
(a) members of the administrative, management or supervisory bodies;	Pages 26 to 34 of the 2015 Registration Document
(b) partners with unlimited liability, in the case of a limited partnership with a share capital.	Not Applicable.
9.2. Administrative, Management, and Supervisory bodies conflicts of interests	Page 58 of the 2015 Registration Document

10. MAJOR SHAREHOLDERS	
10.1 To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	Page 250 of the 2015 Registration Document
10.2 A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	Page 250 of the 2015 Registration Document
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
<u>11.1 Historical financial information</u>	
<i>2014 Registration Document</i>	
- Balance sheet	Pages 50 to 51 of the 2014 Registration Document
- Income Statement	Pages 52 of the 2014 Registration Document
- Change in shareholders' equity	Pages 54 and 55 of the 2014 Registration Document
- Statement of cash flows	Pages 56 and 57 of the 2014 Registration Document
- Notes	Pages 58 to 109 of the 2014 Registration Document
- Auditors' report on the 2014 Consolidated Financial Statements	Pages 174 to 175 of the 2014 Registration Document
<i>2015 Registration Document</i>	
- Balance sheet	Pages 76 and 77 of the 2015 Registration Document
- Income Statement	Page 78 of the 2015 Registration Document
- Change in shareholders' equity	Pages 80 and 81 of the 2015 Registration Document
- Statement of cash flows	Pages 82 and 83 of the 2015 Registration Document
- Notes	Pages 84 to 152 of the 2015 Registration Document
- Auditors' report on the 2015 Consolidated Financial Statements	Pages 255 and 256 of the 2015 Registration Document

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilables*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

INFORMATION INCORPORATED BY REFERENCE	Reference
<i>EMTN Previous Conditions</i>	
2015 EMTN Conditions	Pages 56 to 87
2014 EMTN Conditions	Pages 48 to 73
2013 EMTN Conditions	Pages 39 to 61
2012 EMTN Conditions	Pages 38 to 63
2011 EMTN Conditions	Pages 37 to 61
2010 EMTN Conditions	Pages 39 to 63
2009 EMTN Conditions	Pages 35 to 60 of the base prospectus dated 25 May 2009 and page 7 of its supplement dated 30 March 2010
2008 EMTN Conditions	Pages 41 to 65 of the base prospectus dated 10 July 2008 and page 2 of its supplement dated 26 March 2009
2007 EMTN Conditions	Pages 30 to 54
2006 EMTN Conditions	Pages 27 to 51
2005 EMTN Conditions	Pages 26 to 50
2004 EMTN Conditions	Pages 15 to 47

Non-incorporated parts of the base prospectus of the Issuer dated 21 July 2015, the base prospectus of the Issuer dated 13 June 2014, the base prospectus of the Issuer dated 11 June 2013, the base prospectus of the Issuer dated 29 May 2012, the base prospectus of the Issuer dated 27 May 2011, the base prospectus of the Issuer dated 27 May 2010, the base prospectus of the Issuer dated 25 May 2009 and its supplement dated 30 March 2010, the base prospectus of the Issuer dated 10 July 2008 and its supplement dated 26 March 2009, the base prospectus of the Issuer dated 13 July 2007, the base prospectus of the Issuer dated 12 July 2006, the offering circular dated 5 September 2005 and the offering circular dated 23 June 2004 are not relevant for investors.

SUPPLEMENT TO THE BASE PROSPECTUS

In connection with Notes admitted to trading on a Regulated Market and/ or offered to the public in Luxembourg and/or in any other Member State of the European Economic Area, unless the Issuer does not intend to issue Notes under the Programme for the time being, if at any time during the duration of the Programme there is a significant change affecting any matter contained in this Base Prospectus, or generally any significant new factor, material mistake or inaccuracy relating to information, included in this Base Prospectus which is capable of affecting the assessment of any Notes, which inclusion would reasonably be required by investors, and would reasonably be expected by them to be found in this Base Prospectus, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group and the rights attaching to the Notes, the Issuer shall prepare a supplement to the Base Prospectus in accordance with Article 16 of the Prospectus Directive or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes, submit such supplement to the Base Prospectus to the *Commission de Surveillance du Secteur Financier* in Luxembourg for approval and supply each Dealer, the Luxembourg Stock Exchange and the *Commission de Surveillance du Secteur Financier* in Luxembourg with such number of copies of such supplement to the Base Prospectus as may reasonably be requested.

In accordance with and pursuant to Article 16.2 of the Prospectus Directive, where the Notes are offered to the public, investors who have already agreed to purchase or subscribe for Notes before any supplement is published have the right, exercisable within two working days after the publication of this supplement, to withdraw their acceptances provided that the new factor, mistake or inaccuracy referred to in Article 16.1 of the Prospectus Directive arose before the final closing of the offer to the public and the delivery of the Notes. That period may be extended by the Issuer or, if any, the relevant Authorised Offeror(s). The final date of the right of withdrawal shall be stated in the supplement.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of any Tranche of Notes which is being admitted to trading on a regulated market or offered to the public in a Member State of the EEA, the relevant Final Terms shall not amend or replace any information in this Base Prospectus. 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 by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms (and subject to simplification by the deletion of non-applicable provisions) or (ii) these terms and conditions as so completed 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 Final Terms. 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 Crédit Mutuel Arkéa (the "**Issuer**") in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder and supplemented, where necessary, with supplemental terms and conditions which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the final terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an amended and restated agency agreement dated 27 July 2016 (the "**Agency Agreement**") between the Issuer and BNP Paribas Securities Services as fiscal agent, principal paying agent and paying agent and the other agents named therein. The fiscal agent, the paying agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agent**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent(s)**". The holders of the interest coupons (the "**Coupons**") relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the "**Talons**") for further Coupons are referred to below as the "**Couponholders**".

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

1. Form, Denomination, Title and Redenomination

(a) Form

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as specified in the relevant Final Terms.

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

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

Unless this possibility is expressly excluded in the relevant Final Terms and to the extent permitted by applicable law, the Issuer may at any time request from the central depository identification information of holders of Dematerialised Notes in bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such holders.

For the purpose of these Conditions, "**Account Holder**" means any financial intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and the depositary bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**").

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with Coupons (and, where appropriate, a Talon) 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.

In accordance with Articles L.211-3 and R.211-1 of the French Code monétaire et financier, securities (such as Notes constituting obligations under French law) in materialised form and governed by French law must be issued outside the French territory.

The Notes may be "**Fixed Rate Notes**", "**Fixed Rate Resettable Notes**", "**Floating Rate Notes**", "**CMS Linked Notes**", "**Range Accrual Notes**", "**Inverse Floating Rate Notes**", "**Inverse CMS Rate Notes**", "**Fixed/Floating Rate Notes**", "**Zero Coupon Notes**", or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in the relevant Final Terms in accordance with the applicable Conditions.

(b) Denomination

Notes shall be issued in the specified denomination(s) set out in the relevant Final Terms (the "**Specified Denomination(s)**"), save that all Notes which are to be admitted to trading on a regulated market (within the meaning of Directive 2004/39/EC of the European Parliament and of the Council, as amended, each such market being a "**Regulated Market**") within the European Economic Area ("**EEA**") or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended from time to time (the "**Prospectus Directive**") shall have a minimum denomination of €1,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) Title

Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered 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 the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.

Title to Definitive Materialised Notes, including, where appropriate, Coupons and/or a Talon attached, shall pass by delivery.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), 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.

In these Conditions,

"**Noteholder**" or, as the case may be, "**holder of any Note**" means (a) in the case of Dematerialised Notes, the individual or entity whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (b) in the case of Definitive Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons or Talons relating to it.

Capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) Redenomination

The Issuer may, on any date, without the consent of the holder of any Note, Coupon or Talon, by giving at least thirty (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 single currency 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 Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "Redenomination Date".

The redenomination of the Notes pursuant to Condition 1(d) 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 123(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.

Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.

The Issuer may, with the prior approval of the Fiscal Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, without the consent of the holder of any Note, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (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, Coupons and Talons and shall be notified to holders of Notes in accordance with Condition 14 as soon as practicable thereafter.

Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, 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

- (i) Dematerialised Notes issued in bearer form (*au porteur*) may not be converted for Dematerialised Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form, (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered form (*au nominatif*) may not be converted for Dematerialised Notes in bearer form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. 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

(a) Senior Notes

The Senior Notes (being those Notes which the applicable Final Terms specify as being Senior Notes), and, where applicable, any Coupon relating to them are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer.

(b) Subordinated Notes

The Subordinated Notes (being those Notes which the applicable Final Terms specify as to be Subordinated Notes) are issued pursuant to the provisions of Article L. 228-97 of the French *Code de commerce*.

The Subordinated Notes and including, where applicable, the Coupons relating to them constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any present or future obligations or capital instruments of the Issuer which constitute Tier 2 Capital of the Issuer and (b) any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank equally with the Subordinated Notes;
- (iii) senior to any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*);
- (iv) junior to (a) any present and future unsubordinated creditors (including depositors) of the Issuer and (b) any present or future subordinated creditors of the Issuer other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes in respect such Subordinated Notes and including, where applicable, the Coupons relating to them shall be subordinated to the payment in full of all unsubordinated creditors (including depositors) and subordinated creditors of the Issuer other than the present or future claims of creditors ranking *pari passu* with or junior to the Subordinated Notes as aforesaid, and, subject to such payment in full, the holders of the Subordinated Notes including, where applicable, the Coupons relating to them, shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

In the event of incomplete payment of unsubordinated creditors and subordinated claims ranking ahead of the claims of holders of Subordinated Notes including, where applicable, the Coupons relating to them, the obligations of the Issuer in connection with the Subordinated Notes including, where applicable, the Coupons relating to them, will be terminated.

If an insolvency proceeding or voluntary liquidation applies to the Issuer, the holders of the Subordinated Notes including, where applicable, the Coupons relating to them, shall be responsible for taking all steps necessary to preserve the rights they may have against the Issuer.

It is the intention of the Issuer that the Subordinated Notes shall, for supervisory purposes, be treated as Tier 2 Capital, but that the obligations of the Issuer and the rights of the holders under the Subordinated Notes shall not be affected if the Subordinated Notes no longer qualify as Tier 2 Capital. However, the

Issuer may redeem the Subordinated Notes in accordance with Condition 6(d) (*Redemption of Subordinated Notes upon the occurrence of a Capital Event*).

4. Negative Pledge

(a) Senior Notes

So long as any of the Notes or, if applicable, any Coupon relating to them, is outstanding (as defined below), the Issuer will not create or permit to subsist any mortgage, charge, pledge or other form of security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) or any guarantee or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto, the Issuer's obligations under the Notes, and, if applicable Coupons relating to them, are equally and rateably secured therewith.

For the purposes 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 as provided in Condition 7, (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 the Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive 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 Materialised Notes, pursuant to its provisions.

"**Relevant Indebtedness**" means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*) or other securities which are for the time being, or capable of being, quoted, admitted to trading, or ordinarily dealt in on any regulated stock exchange, over-the counter market or other securities market (and includes *titres de créance négociables* governed by Articles L.213-1 to L.213-4-1 of the French *Code monétaire et financier*).

(b) Subordinated Notes

There is no negative pledge in respect of Subordinated Notes.

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:

"**Benchmark**" means the reference rate as set out in the relevant Final Terms which shall be either EURIBOR or LIBOR.

"**Business Day**" means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer payment system or any successor thereto (the "**TARGET 2 System**") is operating (a "**TARGET Business Day**"), and/or
- (ii) 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
- (iii) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), 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 so specified.

"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 (1st) day of such period to but excluding the last) (whether or not constituting an Interest Period, the **"Calculation Period"**):

- (i) if **"Actual/365**, **"Actual/365-FBF"** or **"Actual/Actual-ISDA"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).
- (ii) if **"Actual/Actual-ICMA"** is specified in the relevant Final Terms:
 - (A) 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
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) 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
 - (y) 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,

in each case, 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 in the relevant Final Terms or, if none is so specified, the Interest Payment Date.

- (iii) if **"Actual/Actual-FBF"** is specified in the relevant Final Terms, 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). If the Calculation Period is of a duration of more than one year, the basis shall be calculated as follows:
 - the number of complete years shall be counted back from the last day of the Calculation Period;
 - this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition.
- (iv) if **"Actual/365 (Fixed)"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365.
- (v) if **"Actual/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360.
- (vi) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

- (vii) if "**30/360-FBF**" or "**Actual 30A/360 (American Bond Basis)**" is specified in the relevant Final Terms, 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-FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first day is neither the 30th nor the 31st, the last month of the Calculation Period shall be deemed to be a month of 31 days.

Using the same abbreviations as for 30E/360-FBF the fraction is:

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

then :

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

or

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

- (viii) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).
- (ix) if "**30E/360-FBF**" is specified in the relevant Final Terms, 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 the exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be 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, (i) with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates or (ii) with respect to any Underlying Value to be determined on a Range Accrual Day, the date specified as such in the relevant Final Terms or, if none is so specified, such relevant Range Accrual Day.

"**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 (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997).

"**First Margin**" means the percentage specified as such in the relevant Final Terms.

"**First Reset Date**" means the date specified as such in the relevant Final Terms.

"**First Reset Period**" means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if there is no Second Reset Date, the Maturity Date.

"First Reset Rate of Interest" means the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the Mid-Swap Rate for the First Reset Period and the First Margin.

"Initial Rate of Interest" has the meaning specified as such in the relevant Final Terms.

"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 or Fixed Rate Resettable 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 Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms 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 the city specified in the Final Terms 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 Final Terms.

"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.

"Interest Period Date" means each Interest Payment Date or such other date as specified in the relevant Final Terms.

"Issue Date" means the date of issue of the Notes.

"Mid-Market Swap Rate" means, for any Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

"Mid-Market Swap Quotation" means a quotation (expressed as a percentage per annum) for the relevant Mid-Market Swap Rate.

"Mid-Market Swap Floating Leg Benchmark Rate" means EURIBOR if the Specified Currency is Euro or LIBOR for the Specified Currency if the Specified Currency is not Euro.

"Mid-Swap Maturity" means the period specified in the applicable Final Terms.

"Mid-Swap Rate" means, in relation to a Reset Period, either:

(a) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Specified Currency:

(i) with a term specified in the Final Terms; and

(ii) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(b) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

- (i) with a term specified in the Final Terms; and
- (ii) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page, in either case, as at approximately the Relevant Time on the relevant Reset Determination Date, all as determined by the Calculation Agent.

If on any Reset Determination Date, the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page as of the Relevant Time on the relevant Reset Determination Date, the Calculation Agent shall request each of the Reset Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time on the Reset Determination Date in question.

If, on any Reset Determination Date, at least three of the Reset Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) and the First Margin or Subsequent Margin, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date only two relevant quotations are provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the arithmetic mean (rounded as aforesaid) of the relevant quotations provided and the First Margin or Subsequent Margin, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date, only one relevant quotation is provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the relevant quotation provided and the First Margin or Subsequent Margin, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date, none of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided above, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, shall be the Rate of Interest as at the last preceding Reset Date or, if none, the Initial Rate of Interest.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Notes and that is specified in the relevant Final Terms calculated on the basis of the Conditions.

"Reference Banks" means the institutions specified as such in the relevant Final Terms 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 reference rate (which, in the case of EURIBOR or EUR CMS shall be the Euro-zone, and in the case of LIBOR shall be London).

"Relevant Financial Centre" means, with respect to any Floating Rate, Underlying Value or CMS Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date or on any Range Accrual Day, as the case may be, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant reference rate is most closely connected (which, in the case of EURIBOR or EUR CMS, shall be the Euro-zone and in the case of LIBOR, shall be London) or, if none is so connected, Paris.

"Relevant Date" means, in respect of any Note 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 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 or any Range Accrual Day, the local time in the Relevant Financial Centre specified in the relevant Final Terms 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).

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms.

"Representative Amount" means, with respect to any Floating Rate or Underlying Value to be determined in accordance with a Screen Rate Determination on an Interest Determination Date or on any Range Accrual Day, as the case may be, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Reset Date" means each of the First Reset Date, the Second Reset Date and any Subsequent Reset Date, as applicable.

"Reset Determination Date" means, in respect of a Reset Period, the date specified as such in the relevant Final Terms.

"Reset Period" means each of the First Reset Period or any Subsequent Reset Period, as applicable.

"Reset Reference Banks" means the principal office in the principal financial centre of the Specified Currency of five leading dealers in the swap, money, securities or other market most closely connected with the Mid-Market Swap Rate.

"Second Reset Date" means the date specified as such in the relevant Final Terms.

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

"Specified Duration" means, (i) 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 Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(i) or (ii) in the case of any Range Accrual Note, with respect to any Underlying Value to be determined in accordance with a Screen Rate Determination on any Range Accrual Day, the period specified in the relevant Final Terms for the relevant Underlying.

"Subsequent Margin" means the percentage specified as such in the relevant Final Terms.

"Subsequent Reset Date" means each date specified as such in the relevant Final Terms.

"Subsequent Reset Period" means the period from (and including) the Second Reset Date to (but excluding) the next occurring Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next occurring Subsequent Reset Date or, in the case of the final Subsequent Reset Date, to (but excluding) the Maturity Date.

"Subsequent Reset Rate of Interest" means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin.

(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 amount of interest ("**Fixed Coupon Amount**") or a broken amount of interest ("**Broken Amount**") is specified in the relevant Final Terms, 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 Final Terms.

If a Fixed Rate Note is specified in the applicable Final Terms as resettable ("**Fixed Rate Resettable Note**"), the Rate of Interest will initially be a fixed rate and will then be resettable as provided below.

Each Fixed Rate Resettable Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to:

- (i) for each Interest Period falling in the period from (and including) the Interest Commencement Date to (but excluding) the First Reset Date, the Initial Rate of Interest;
- (ii) for each Interest Period falling in the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or (if there is no Second Reset Date) the Maturity Date, the First Reset Rate of Interest; and
- (iii) for each Interest Period in any Subsequent Reset Period thereafter, the Subsequent Reset Rate of Interest in respect of the relevant Subsequent Reset Period.

Such interest shall be payable in arrear on each Specified Interest Payment Date.

The Calculation Agent will, as soon as reasonably practicable on each Reset Determination Date, calculate the amount of interest payable per Calculation Amount for each relevant Interest Period.

The Calculation Agent will cause such amount of interest for each Interest Period falling within each Reset Period to be notified to each of the Paying Agents and to be notified to the Noteholders and any stock exchange on which the relevant Fixed Rate Resettable Notes are listed as soon as possible after their determination but in no event later than the first day of each Reset Period.

(c) Interest on Floating Rate Notes

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including 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. The amount of interest payable shall be determined in accordance with Condition 5(l). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms 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.

(ii) *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 Final Terms in accordance with the provisions below relating to either FBF Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms 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 Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). 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 Agent under a notional interest rate swap transaction (*Echange*) in the relevant Specified Currency governed by the 2007 FBF Master Agreement (*convention cadre FBF*) relating to

transactions on forward financial instruments, as supplemented by the then applicable Interest and Currency Technical Annex (*Echange de conditions d'Intérêt ou de Devises - Additif Technique*) published by the *Association Française des Banques* or the *Fédération Bancaire Française* (the "**FBF Definitions**") and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms, and
- (b) the Floating Rate Determination Date is as specified in the relevant Final Terms.

Where any Floating Rate is specified in the relevant Final Terms as being determined by linear interpolation in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Accrual Period.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**" and "**Floating Rate Determination Date**" are translations of the French terms "*Taux Variable*", "*Agent*" and "*Date de Détermination du Taux Variable*", respectively, which have the meanings given to those terms in the FBF Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms 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 Relevant Screen Page, subject as provided below, the Rate of Interest shall be:
 - (i) the Relevant Rate (where such Relevant Rate on such Relevant Screen 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 Relevant Screen Page,

in each case appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any).

- (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 Relevant Screen 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 Relevant Screen 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, plus or minus (as indicated in the relevant Final Terms) the Margin (if any), 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).

- (d) Where any Benchmark is specified in the relevant Final Terms as being determined by linear interpolation in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the Relevant Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Accrual Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Accrual Period.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(d) Rate of Interest on CMS Linked Notes

(i) Interest Payment Dates

Each CMS Linked Note bears interest on its outstanding nominal amount from and including 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. The amount of interest payable shall be determined in accordance with Condition 5(l). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months, or other period shown in the relevant Final Terms 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.

(ii) CMS Rate

- (a) The Rate of Interest in respect of CMS Linked Notes for each Interest Accrual Period shall be determined by the Calculation Agent by applying one of the following formulae, as specified in the relevant Final Terms:

(A) Rate of Interest = CMS Rate + Margin;

(B) Rate of Interest = CMS Rate – Margin;

(C) Rate of Interest = Rate Multiplier x (CMS Rate + Margin);

(D) Rate of Interest = Rate Multiplier x (CMS Rate – Margin);

(E) Rate of Interest = Rate Multiplier x (CMS Rate₁ – CMS Rate₂);

(F) Rate of Interest = Margin + [Rate Multiplier x (CMS Rate₁ – CMS Rate₂)];

(G) Rate of Interest = Rate Multiplier x (Applicable Rate – CMS Rate);

(H) Rate of Interest = Margin + [Rate Multiplier x (Applicable Rate – CMS Rate)];

where:

“**Applicable Rate**” means the rate (expressed as a percentage) specified in the relevant Final Terms and may be a Fixed Rate or a Floating Rate.

“**CMS Rate**”, “**CMS Rate₁**” and “**CMS Rate₂**” mean the relevant CMS Reference Rate(s) as specified in the applicable Final Terms.

“**CMS Reference Rate**” means the EUR CMS relating to the relevant maturity (the relevant maturity year mid swap rate in EUR (annual 30/360)), which appears on the Relevant Screen Page, being Reuters page “ISDAFIX2” under the heading “EURIBOR Basis”, as at Relevant Time which shall be 11.00 a.m. Frankfurt time, in the case of the EUR-ISDA-EURIBOR Swap Rate-11.00 on the relevant Interest Determination Date or, where a CMS Rate applies for the purposes of any Range Accrual Note pursuant to Condition 5 (e) below, Range Accrual Day (as defined in Condition 5(e) below) or on any other relevant date.

In the event that the EUR CMS does not appear on the Relevant Screen Page on any relevant date, the Calculation Agent shall determine on such relevant date the applicable rate based on quotations of five Reference Banks (to be selected by the Calculation Agent and the Issuer) for EUR CMS relating to the relevant maturity (in each case the relevant mid-market annual swap rate commencing two TARGET Business Days following such relevant date). The highest and lowest (or, in the event of equality, one of the highest and/or lowest) quotations so determined shall be disregarded by the Calculation Agent for the purpose of determining the Reference Rate which will be the arithmetic mean (rounded if necessary to five significant figures with halves being rounded up) of such provided quotations.

If, for any reason, the EUR CMS is no longer published or if fewer than three quotations are provided to the Calculation Agent in accordance with the above paragraph, it will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercial and reasonable manner.

“**Rate Multiplier**” means the number specified in the relevant Final Terms.

(e) **Rate of Interest on Range Accrual Notes**

The Rate of Interest in respect of any Notes with respect to one or more Interest Accrual Periods may be conditional upon the relevant Underlying Value (as defined below) being equal to, lower than and/or greater than pre-determined rates on one or more days during a specified period as shall be specified in the relevant Final Terms (a “**Range Accrual Note**”). In the event that such conditionality is not satisfied in respect of one or more dates falling within any such specified periods, no interest may be payable in respect of such specified period or interest will only be paid in respect only of those days in such specified period on which such conditionality has been satisfied.

The Rate of Interest in respect of Range Accrual Notes for each Interest Accrual Period shall be a rate per annum determined by the Calculation Agent in accordance with the following formula:

$$\text{Rate of Interest} = \text{Applicable Rate} \times \text{Accrual Factor}$$

For the purposes of such Range Accrual Notes, the following terms shall have the following meanings:

“**Accrual Factor**” means, with respect to an Interest Accrual Period, the number of Range Accrual Days in the relevant Interest Observation Period in respect of which the relevant Underlying Value fell within the relevant Range divided by the total number of Range Accrual Days in such Interest Observation Period, in each case as determined by the Calculation Agent.

“**Applicable Rate**” means a rate (expressed as a percentage) specified in the relevant Final Terms and may be a Fixed Rate, Floating Rate or CMS Rate.

“**Interest Observation Period**” means, in respect of an Interest Accrual Period, such Interest Accrual Period. For each calendar day which is not a Business Day during the Interest Observation Period, the level of the relevant Underlying Value for each such day shall be the corresponding level of the relevant Underlying Value applicable to the immediately preceding Business Day in such Interest Observation Period. The level of the relevant Underlying Value attributable to each of the last five calendar days of such Interest Accrual Period (inclusive) shall be the corresponding

level of the relevant Underlying Value applicable to the last Business Day of such Interest Accrual Period falling immediately prior to such fifth calendar day.

"**Lower Limit**" means, in respect of any relevant Range Accrual Day, the limit specified in the applicable Final Terms.

"**Range**" means in respect of the relevant Underlying Value any one (only) of Range₁, Range₂, Range₃, Range₄ or Range₅ as specified in the relevant Final Terms.

"**Range₁**" means that on the relevant Range Accrual Day the relevant Underlying Value is greater than or equal to the Lower Limit and lower than or equal to the Upper Limit.

"**Range₂**" means that on the relevant Range Accrual Day the relevant Underlying Value is greater than the Lower Limit and lower than the Upper Limit.

"**Range₃**" means that on the relevant Range Accrual Day the relevant Underlying Value is greater than or equal to the Lower Limit and lower than the Upper Limit.

"**Range₄**" means that on the relevant Range Accrual Day the relevant Underlying Value is greater than the Lower Limit and lower than or equal to the Upper Limit.

"**Range₅**" means that on the relevant Range Accrual Day the relevant Underlying Value and/or is less than the Lower Limit or greater than the Upper Limit.

"**Range Accrual Day**" means, with respect to an Interest Observation Period, each date specified as a Range Accrual Day in the relevant Final Terms, which may be each date falling every one (1), seven (7), 30, 60, 90, 180 or 365 days after the first date specified in the applicable Final Terms or such other date(s) (as specified in the applicable Final Terms) falling within such Interest Observation Period.

"**Underlying**" means the reference rate as set out in the relevant Final Terms which shall any of EURIBOR, LIBOR or EUR CMS.

"**Underlying Value**" means, with respect to a Range Accrual Day, as applicable the rate of the Underlying on that Range Accrual Day as determined by the Calculation Agent. For the avoidance of doubt, the Underlying Value may have a positive value, negative value or may be equal to zero (0).

"**Upper Limit**" means, in respect of any relevant Range Accrual Day, the limit specified in the applicable Final Terms.

Where (i) EUR CMS is specified in the relevant Final Terms as the Underlying, the Underlying Value on each Range Accrual Day shall be determined as the relevant CMS Rate by the Calculation Agent on such Range Accrual Day in accordance with the provisions of Condition 5 (d)(ii); or (ii) EURIBOR or LIBOR is specified in the relevant Final Terms as the Underlying and Screen Rate Determination is specified in such Final Terms as the manner in which the Underlying Value is to be determined, the Underlying Value on each Range Accrual Day shall be determined by the Calculation Agent at or about the Relevant Time on such Range Accrual Day by applying *mutatis mutandis* the provisions of Condition 5 (c)(ii)(B)(a), (b) and (c) except that:

- (i) any reference to "Rate of Interest" or "Floating Rate" shall be deemed to be a reference to the relevant Underlying Value;
- (ii) any reference to "Interest Determination Date" shall be deemed to be a reference to the relevant Range Accrual Day; and
- (iii) the phrases "plus or minus (as indicated in the relevant Final Terms) the Margin (if any)" in Condition 5(c)(ii)(B)(a) and (b) and "(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)" in Condition 5(c)(ii)(B)(c) shall not apply.

(f) Inverse Floating Rate Notes/Inverse CMS Rate Notes

The Rate of Interest in respect of Inverse Floating Rate Notes or Inverse CMS Rate Notes in respect of for

each Interest Accrual Period, shall be equal to the Fixed Rate specified in the relevant Final Terms minus the Floating Rate or the CMS Rate, as the case may be, specified in the relevant Final Terms.

(g) Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert, or that will automatically change, on one or more dates set out in the Final Terms from one specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate and/or CMS Rate) to another specified interest basis (such as, but not limited to, Fixed Rate, Floating Rate and/or CMS Rate).

(h) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date, if so specified in the relevant Final Terms, pursuant to Condition 6(e) and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount or the Optional Redemption Amount, as the case may be. 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(e)(i)).

(i) 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 Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

(j) 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 judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.

(k) Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding:

- (a) If any Margin is specified in the relevant Final Terms (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), by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (b) If any Minimum Rate of Interest is specified in the relevant Final Terms for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.
- (c) If any Maximum Rate of Interest is specified in the relevant Final Terms for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.
- (d) If any Maximum or Minimum Redemption Amount is specified in the relevant Final Terms, then any Redemption Amount shall be subject to such maximum or minimum, as the case may be.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in these Conditions), (w) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (y) all figures shall be rounded to seven 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), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(l) 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 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. 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.

(m) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts

The Calculation Agent shall, as soon as practicable 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, 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 or Optional Redemption 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, or Optional Redemption 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 admitted to trading on a Regulated Market of the EEA and the rules of such Regulated Market so require, such Regulated Market 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 Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination and, in the case of Range Accrual Notes, no later than the last day of the relevant Interest Accrual Period. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(i), 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.

(n) 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 Final Terms and for so long as any Note is outstanding (as defined above). 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, 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 or Luxembourg office, as appropriate, 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.

6. Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, purchased and cancelled as provided below or in accordance with Condition 6(b) or Condition 6(c), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which is its nominal amount).

(b) Redemption at the Option of the Issuer and Partial Redemption

- (i) If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer of all the relevant laws, regulations and directives (and subject, in the case of Subordinated Notes, to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*)) and on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice in accordance with Condition 14 to the holders of Notes (or such other period as may be specified in the relevant Final Terms) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount (as set out in Condition 6(e)) together with interest accrued to the date fixed for redemption, if any. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed, 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 Regulated Market requirements.

In the case of a partial redemption 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 R.213-16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market requirements.

So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules thereof so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or 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.

- (ii) In the case of Subordinated Notes, no redemption at the option of the Issuer will be permitted prior to five years from the Issue Date.

(c) Redemption of Senior Notes at the Option of Noteholders

If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) days' notice to the Issuer (or such other period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount (as set out in Condition 6(d)) together with interest accrued to the date fixed for redemption.

To exercise such option that may be set out in the relevant Final Terms, the Noteholder must deposit with a Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during normal business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmatured Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent with a specified office in Paris, as specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

(d) Redemption of Subordinated Notes upon the occurrence of a Capital Event

Upon the occurrence of a Capital Event, the Issuer may, at its option (but subject to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*)) at any time, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Subordinated Notes at their Final Redemption Amount, together with accrued but unpaid interest (if any) thereon.

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in France including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of, and as applied by, the Relevant Regulator.

"**Capital Event**" means a change in the regulatory classification of the Subordinated Notes that was not reasonably foreseeable at the Issue Date, as a result of which the Subordinated Notes would be fully excluded from Tier 2 Capital;

"**Relevant Regulator**" means the European Central Bank and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer; and

"**Tier 2 Capital**" means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time for the purposes of the Issuer.

(e) Early Redemption Amount and Optional Redemption Amount

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 9, or the Optional Redemption Amount pursuant to Condition 6(b) or 6(c) in respect of such Notes, as the case may be, shall be the Amortised Nominal Amount (calculated as provided below) of such Note.
- (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 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(b), 6(c) or 6(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount or the Optional Redemption Amount, as the case may be, 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 was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) 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(j).

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 Final Terms.

(ii) *Other Notes*

- (A) The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption.
- (B) The Optional Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(b) or 6(c) will be determined by the Calculation Agent on the following basis:

"Optional Redemption Amount" = $Y \times \text{Specified Denomination}$

Where:

"Y" means the ratio expressed as a percentage specified in the relevant Final Terms.

(f) Redemption for Taxation Reasons:

(i) *Redemption of Notes upon the occurrence of Withholding Tax Event*

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8(b) below (a **"Withholding Tax Event"**), the Issuer may, at its option, on any Interest Payment Date (if the Note is a Floating Rate Note) or at any time (if the Note is not a Floating Rate Note) but subject, in the case of Subordinated Notes, to Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*) below, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

(ii) *Redemption of Senior Notes upon the occurrence of Gross-Up Event*

For Senior Notes, if the Issuer would, on the next payment of principal or interest in respect of the Notes, be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable (a **"Gross-Up Event"**), notwithstanding the undertaking to pay additional amounts contained in Condition 8(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of

which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Coupons or, if that date is passed, as soon as practicable thereafter.

(iii) *Redemption of Subordinated Notes upon the occurrence of a Tax Deductibility Event*

For Subordinated Notes only, if by reason of any change in French laws or any change in the official application or interpretation of such laws, in each case becoming effective on or after the Issue Date, the tax regime of any payments under the Subordinated Notes is modified and such modification results in the part of the interest payable by the Issuer under the Subordinated Notes that is tax-deductible being reduced (a "**Tax Deductibility Event**"), the Issuer may, subject, to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*) below, at its option, at any time (in the case of Subordinated Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) but subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 14 (*Notices*), redeem all, but not some only, of the outstanding Subordinated Notes at their Redemption Amount together with accrued interest (if any) thereon, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable not being impacted by the reduction in tax deductibility giving rise to the Tax Deductibility Event.

(g) **Purchases**

(i) *Senior Notes*

The Issuer shall have the right at all times to purchase Senior Notes (provided that, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price subject to the applicable laws and regulations. All Senior Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes, or cancelled.

Senior Notes repurchased by or on behalf of the Issuer may be purchased and held in accordance with Article L.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Senior Notes for a maximum period of one year from the date of purchase in accordance with Article D.213-1-A of the French *Code monétaire et financier*.

(ii) *Subordinated Notes*

The Issuer may, at any time on or after the fifth (5th) anniversary of the Issue Date (but subject to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*)), purchase Subordinated Notes in the open market or otherwise at any price, subject to applicable laws and regulations. Subordinated Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations or cancelled in accordance with (h) below.

Subordinated Notes repurchased by or on behalf of the Issuer may be purchased and held in accordance with Article L.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Subordinated Notes for a maximum period of one year from the date of purchase in accordance with Article D.213-1-A of the French *Code monétaire et financier*.

The Issuer or any agent on its behalf shall have the right at all times to purchase the Subordinated Notes for market making purposes provided that: (a) the prior written approval of the Relevant Regulator shall be obtained; and (b) the total principal amount of the Subordinated Notes in any given Series so purchased does not exceed the lower of (x) 10% of the initial aggregate principal amount of the Subordinated Notes of such Series and such any further Subordinated Notes issued under Condition 13 (*Further Issues and Consolidation*), or (y) 3% of the outstanding Tier 2 Capital of the Issuer from time to time calculated in accordance with the Applicable Banking Regulations.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer to be cancelled, will be (but subject, in the case of Subordinated Notes, to the provisions of Condition 6(i) (*Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date*)) cancelled, in 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 relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Coupons and all unexchanged Talons, if applicable, 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 Definitive Materialised Notes, all unmatured 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.

(i) Additional conditions to redemption and purchase of Subordinated Notes prior to Maturity Date

The Subordinated Notes may only be redeemed, purchased or cancelled (as applicable) pursuant to Condition 6(d) (*Redemption of Subordinated Notes upon the occurrence of a Capital Event*), Condition 6(f) (*Redemption for Taxation Reasons*), Condition 6(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 6(g) (*Purchases*) (subject to the provisions set out in the second paragraph of the section relating to Subordinated Notes of Condition 6(g) (*Purchases*)) or Condition 6(h) (*Cancellation*), as the case may be, if:

- (i) the Relevant Regulator has given its prior written approval to such redemption, purchase or cancellation (as applicable); in this respect, article 78 of the CRD IV Regulation provides that the Relevant Regulator shall grant permission to a redemption or repurchase of the Subordinated Notes provided that either of the following conditions is met, as applicable to the Subordinated Notes:
 - (a) on or before such redemption or repurchase of the Subordinated Notes, the Issuer replaces the Subordinated Notes with instruments qualifying as Tier 2 Capital of an equal or higher quality on terms that are sustainable for the Issuer's income capacity; or
 - (b) the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the tier 1 capital and the Tier 2 Capital of the Issuer would, following such redemption or repurchase, exceed the capital ratios required under CRD IV by a margin that the Relevant Regulator may consider necessary on the basis set out in CRD IV for it to determine the appropriate level of capital of an institution;
- (ii) in the case of a redemption as a result of a Special Event, the Issuer has delivered a certificate to the Fiscal Agent (with copies thereof being available at the Fiscal Agent's specified office during its normal business hours) not less than five (5) Business Days prior to the date set for redemption that such Special Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be; and
- (iii) in the case of a redemption as a result of a Withholding Tax Event or a Tax Deductibility Event, the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Withholding Tax Event or Tax Deductibility Event is material and was not reasonably foreseeable at the time of issuance of the Notes, and the Issuer has delivered a certificate signed by one of its senior officers to the Paying Agent (and copies thereof will be available at the Fiscal Agent's specified office during its normal business hours) not less than five (5) Business Days prior to the date set for redemption that such Withholding Tax Event or Tax Deductibility Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be.

"**CRD IV**" means, taken together, the (i) CRD IV Directive and (ii) CRD IV Regulation;

"**CRD IV Directive**" means the Directive (2013/36/EU) of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms dated June 26, 2013 and published in the Official Journal of the European Union on June 27, 2013, as amended or replaced from time to time; and

"**CRD IV Regulation**" means the Regulation (2013/575) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated June 26,

2013 and published in the Official Journal of the European Union on June 27, 2013, as amended or replaced from time to time.

"**Special Event**" means either a Tax Event or a Capital Event;

"**Tax Event**" means either a Withholding Tax Event or a Tax Deductibility Event.

7. Payments and Talons

(a) Dematerialised Notes

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered 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, (ii) in the case of Dematerialised Notes in fully registered 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 or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) Definitive Materialised Notes

(i) Method of payment

Subject as provided below, payments in a Specified Currency will be made by credit or transfer to an account denominated in the relevant Specified Currency, or to which the Specified Currency may be credited or transferred (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is euro, shall be any country in the Euro-zone).

(ii) Presentation and surrender of Definitive Materialised Notes and Coupons

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of partial payment of any sum due, annotation) of such Notes, and payments of interest in respect of Definitive Materialised Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten (10) years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five (5) years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Materialised Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment

Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender (if appropriate) of the relevant Definitive Materialised Note.

(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 (i) any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its Agents) and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, Paying Agent and Calculation Agent initially appointed by the Issuer and its specified office are listed at the end of the Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, Paying 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 Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), 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 Paying Agent having a specified office in at least one major European city (including Luxembourg so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and, so long as the Notes are admitted to trading on any other Regulated Market of the EEA, such other city where the Notes is admitted to trading) (iv) in the case of Definitive Materialised Notes, a Paying Agent having its specified office in a Member State of the EU that will not be obliged to withhold or deduct tax pursuant to Council Directives 2003/48/EC and 2015/2060/EU (which may be any of the Paying Agents referred to in (iii) above), (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 of any other Regulated Market on which the Notes may be admitted to trading.

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.

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) 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 Coupon that may have become void pursuant to Condition 10).

(g) Business Days for Payment

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day, 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 Centre(s)**" in the relevant Final Terms 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.

(h) 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 Notes constituting obligations or debt instruments (*titres de créance*) assimilated thereto for French tax purposes

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) Additional Amounts

If French law should require that payments of principal or interest in respect of any Note or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon, as the case may be:

(i) Other connection

to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes or duties by reason of his having some connection with the Republic of France other than the mere holding of the Note or Coupon; or

(ii) More than thirty (30) days after the Relevant Date

in the case of Definitive Materialised Notes, more than thirty (30) days after the Relevant Date except to the extent that the Noteholder or Couponholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth (30th) such day; or

(iii) Payment to individuals

where such withholding or deduction is required to be made pursuant to Council Directives 2003/48/EC and 2015/2060/EU; or

(iv) Payment by another Paying Agent

in the case of Definitive Materialised Notes presented for payment, by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union.

Notwithstanding anything to the contrary in the preceding paragraph, the Issuer or any other person making payments on behalf of the Issuer shall be entitled to deduct and withhold as required, and shall not be

required to pay any additional amounts with respect to any such withholding or deduction imposed on or in respect of any Note, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("FATCA"), any treaty, intergovernmental agreement, law, regulation or other official guidance enacted by any jurisdiction implementing FATCA, or any agreement between the Issuer or any other person and the United States or any jurisdiction implementing FATCA.

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

(c) Supply of Information

Each holder of Notes shall be responsible for supplying to the Paying Agent, in a reasonable and timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC as amended from time to time (as modified by EU Council Directive 2014/48 adopted by the Council Directives 2003/48/EC and 2015/2060/EU).

9. Events of Default

(a) Senior Notes

The Representative (as defined in Condition 11), upon request of any Noteholder, or in the event the Notes of any Series are held by a sole Noteholder, such Noteholder, may, upon written notice to the Fiscal Agent (with copy to the Issuer) given before all defaults shall have been cured, cause the principal amount of all Notes held by such Noteholder to become due and payable, together with any accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent if:

- (i) the Issuer is in default in the payment of principal of, or interest on, any Note (including the payment of any additional amounts mentioned in Condition 8) when due and payable and such default shall continue for more than seven (7) days thereafter; or
- (ii) the Issuer is in default in the performance of any of its other obligations under the Notes and such default has not been cured within fourteen (14) days after the receipt by the Fiscal Agent of the written notice of such default by the Representative or a Noteholder; or
- (iii) if any other present or future indebtedness for borrowed monies of the Issuer in excess of €5,000,000 (or its equivalent in any other currency), whether individually or collectively, becomes or becomes capable of being declared due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due or, as the case may be, within any originally applicable grace period therefor or any steps shall be taken to enforce any security in respect of any such indebtedness or any guarantee or indemnity given by the Issuer for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon; or
- (iv) if the Issuer makes any proposal for a general moratorium in relation to its debt or applies for, or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or the transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, in each case to the extent permitted by applicable law; or
- (v) if the Issuer ceases or publicly threatens to cease to carry on all or a material part of its business or other operations or sells, transfers, lends or otherwise disposes of, directly or indirectly, all or a material part of its undertakings or assets, except in the case of a disposal, liquidation, merger or other reorganisation in which all of the Issuer's assets are transferred to a legal entity which simultaneously assumes all of the Issuer's liabilities, including the Notes, and whose main purpose, or one of whose main purpose, is the continuation of, and which effectively continues, the Issuer's activities; or

- (vi) if it is or will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes.

(b) Subordinated Notes

There are no events of default under the Subordinated Notes which would lead to an acceleration of the Subordinated Notes if certain events occur. However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason, then the Subordinated Notes would become immediately due and payable, subject as described in Condition 3(b) (*Status of the Subordinated Notes*)

10. Prescription

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

11. Representation of Noteholders

In respect of the representation of Noteholders, the following shall apply:

- (a) If the relevant Final Terms specify "Full *Masse*", the Noteholders 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**") and the provisions of the French *Code de commerce* relating to the *Masse* shall apply in accordance with the provisions of this Condition 11(a) below.

Subject to the provisions of the relevant Final Terms, the names and addresses of the initial representative (the "**Representative**") of the *Masse* and its alternate as well as its remuneration will be as set out in Condition 11(b) below. The Representative appointed in respect of the first Tranche of any Series of Notes will be the representative of the single *Masse* of all Tranches in such Series.

In the event of death, retirement, dissolution or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement, dissolution or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Noteholders (the "**General Meeting**").

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of midnight, Paris time, on the second business day in Paris preceding the date set for the meeting of the relevant General Meeting.

The place where a General Meeting shall be held will be set out in the notice convening such General Meeting; or

- (b) If the relevant Final Terms shall specify "Contractual *Masse*", the Noteholders will, in respect of all Tranches in any Series be grouped automatically for the defence of their common interests in a *Masse* which will be subject to the provisions of this Condition 11(b) below.

The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-48, L.228-59, L.228-71, R.228-63, R.228-67, R.228-69 and R.228-76, subject to the following provisions:

(i) Legal Personality

The *Masse* will be a separate legal entity and will act in part through the Representative and in part through 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.

(ii) Representative

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

- the Issuer, the members of its *Conseil d'administration*, its general managers (*directeurs généraux*), its statutory auditors, its employees and their ascendants, descendants and spouse; or
- 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 spouse; or
- companies holding ten per cent. (10%) or more of the share capital of the Issuer or companies having ten per cent. (10%) or more of their share capital held by the Issuer; or
- 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.

Subject to the provisions of the relevant Final Terms, the name and specified office of the Representative appointed in respect of any Tranche of any Series of Notes are as follows:

Sylvain Thomazo
20 rue Victor Bar
78000 Versailles
France

Subject to the provisions of the relevant Final Terms, the name and specified office of the Alternative Representative are as follows:

Sandrine D'Haussy
69 avenue Gambetta
94100 Saint Maur des Fossés
France

The Representative will be entitled to such remuneration in connection with its function or duties as set out in a separate agreement entered into between the Issuer and the Representative in connection with the Programme.

In the event of death, retirement, dissolution or revocation of appointment of the Representative, such Representative will be replaced by the alternate Representative. In the event of the death, retirement, dissolution or revocation of appointment of the alternate Representative, 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 Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(iii) Powers of Representative

The Representative shall (in the absence of any decision to the contrary of the General Meeting) 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 Noteholders or initiated by them, must be brought by or against the Representative.

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

(iv) General Meeting

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal

amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders 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, time, place and agenda of any General Meeting will be published as provided under Condition 14.

Each Noteholder has the right to participate in a General Meeting in person, by correspondence or by proxy. 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.

The rights of each Noteholder to participate in the General Meetings must be evidenced by entries in the books of the relevant Account Holder in the name of such Noteholder at midnight Paris time on the second Paris business day preceding the date set for the relevant General Meeting.

(v) Powers of the General Meetings

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative 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 Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions, subject in case of Subordinated Notes to the Relevant Regulator's approval, 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 Noteholders, nor establish any unequal treatment between the Noteholders.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth 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 Noteholders attending such General Meetings or represented thereat.

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

(vi) Information to Noteholders

Each Noteholder or Representative thereof will have the right, as from the date specified in the notice of the 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 Noteholders 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.

(vii) Expenses

The Issuer will pay all expenses relating to the operation of the Masse, including expenses 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 under the Notes.

(viii) Single Masse

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated (*assimilées* for the purpose of French law) 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 Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

- (c) Whether the relevant Final Terms specify "Full Masse" or "Contractual Masse", if and for so long as the Notes of any Series are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights

and obligations entrusted with the Representative and the General Meeting by the provisions of Condition 11(a) or 11(b) above, as appropriate. Such sole Noteholder shall hold a register of the decisions it will have taken in this capacity and shall make them available, upon request, to any subsequent holder of all or part of the Notes of such Series. For the avoidance of doubt, in this case, the Representative and the General Meeting shall not exercise such powers, rights and obligations until the Notes of any such Series are held by more than one Noteholder.

For the avoidance of doubt, in this Condition 11, the expression "outstanding" shall not include the Notes subscribed or purchased by the Issuer in accordance with Article L.213-1 A of the French *Code monétaire et financier* which are held by the Issuer and not cancelled (as per Condition 6(f)).

12. Replacement of Definitive Materialised Notes, Coupons and Talons

If, in the case of any Materialised Notes, a Definitive Materialised Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market 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 this purpose and notice of whose designation is given to Noteholders, 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, 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, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, 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 Noteholders or Couponholders, but subject to the prior notification of the Relevant Regulator in case of Subordinated Notes, create and issue further Notes to be assimilated (*assimilables* for the purpose of French law) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save as to the first payment of interest) 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, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 14, without the consent of the Noteholders or Couponholders, 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*) or, so long as such Notes are admitted to trading on any Regulated Market(s), in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort*, or (iii) so long as such Notes are admitted to trading on the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

(b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or, so long as such Notes are admitted to trading on any Regulated Market(s), in a leading

daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort* or, so long as such Notes are admitted to trading on the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au porteur* or *au nominatif*) pursuant to these Conditions may be given by delivery of the relevant notice to 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 15 (a) and (b), above; provided that (i) so long as such Notes are admitted to trading on any Regulated Market(s) and the rules of that Regulated Market so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading, (ii) so long as such Notes are admitted to trading on the Luxembourg Stock Exchange, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and (iii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 shall also be published in a leading newspaper with general circulation in Europe.
- (d) Any notice given by publication 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. Couponholders 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.

15. Governing Law and Jurisdiction

(a) Governing Law

The Notes, Coupons and 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, Coupons or Talons may, to the extent permitted by law, be brought before any competent court in Paris.

USE OF PROCEEDS

The net proceeds of the issue of Notes will be used for the Issuer's general corporate purposes. If in the respect of any particular issue there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

Temporary Global Certificates

A Temporary Global Certificate without interest coupons (a "**Temporary Global Certificate**") will initially be issued in connection with each Tranche of Materialised Notes, and will be delivered on or prior to the issue date of the Tranche to a common depository (the "**Common Depository**") to Euroclear Bank S.A./N.V. ("**Euroclear**") and to Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Upon the delivery of such Temporary Global Certificate with a Common Depository, Euroclear and Clearstream, Luxembourg will credit each subscriber to a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg, or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "General Description of the Programme"), in whole, but not in part, for Definitive Materialised Notes and
- (ii) otherwise, in whole but not in part upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) and any successor regulation issued under the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") section 4701(b) containing rules identical to those currently applying under Code section 163(f)(2)(B) as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Notes.

While any Materialised Note is represented by a Temporary Global Certificate, any payment payable in respect of such Materialised Note prior to the Exchange Date (as defined below) will be made only to the extent that the certification described in (ii) above has been received by Euroclear and/or Clearstream, Luxembourg, and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certification received) to the relevant Paying Agent. The holder of a Temporary Global Certificate will not be entitled to collect any payment due thereon on or after the Exchange Date unless, upon due certification as described above, exchange of the Temporary Global Certificate for an interest in Definitive Materialised Notes is improperly refused or withheld.

Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, "**Definitive Materialised Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirement.

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) days after its issue date, provided that in the event any further Materialised Notes which are to be consolidated (*assimilées*) with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 13(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) days after the issue date of such further Materialised Notes.

DESCRIPTION OF CRÉDIT MUTUEL ARKÉA AND THE GROUP

1. Description of the Group and its structure

Crédit Mutuel Arkéa is part of the mutual and cooperative banking sector.

1.1. Crédit Mutuel Arkéa Group

A universal bank that is open to all, Crédit Mutuel Arkéa is both a producer and distributor of its products and services. This positioning gives it control over the entire value-added chain thanks to the contributions of its specialized subsidiaries.

The Group's basic unit is the local savings bank (*Caisse locale*). Each local savings bank has a restricted area of operations and its capital is owned by customer shareholders in the form of shares. Crédit Mutuel Arkéa's capital is owned by the local savings banks of the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations. Crédit Mutuel Arkéa ensures that the Group's main financial ratios comply with the regulatory limits set by the banking authorities.

From a regulatory standpoint, Crédit Mutuel Arkéa together with the Caisses Locales of the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations are the Group's consolidating parent company. It is licensed as such by the banking and financial authorities.

The credit institution, whose financial statements are hereafter referred to as the consolidated financial statements, consists of the cooperative companies (local savings banks of the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations), the legal entity Crédit Mutuel Arkéa and its affiliates.

1.2. The Crédit Mutuel Arkéa Group's structure

In this organization, Crédit Mutuel Arkéa is the Group's lead company. It has received a general license for the local savings banks of the three federations. The local savings banks do not receive individual licenses.

Crédit Mutuel Arkéa also provides access to the financial markets for all Group entities.

Crédit Mutuel Arkéa's federations are members of Confédération Nationale du Crédit Mutuel (CNCM), which represents Crédit Mutuel's various regional groups.

2. Company ownership ties and intra-Group financial solidarity

None of the local savings banks hold more than 5% of the capital of Crédit Mutuel Arkéa.

Crédit Mutuel Arkéa owns approximately twenty specialized subsidiaries.

2.1 Intra-Group financial solidarity

Crédit Mutuel Arkéa's solidarity mechanism is interfederal in accordance with Article R.511-3 of the French *Code monétaire et financier*. This article stipulates that the French Prudential Control and Resolution Authority ("ACPR") may, with respect to mutual and cooperative companies, issue a collective license to a savings bank for it and all affiliated savings banks when the liquidity and solvency of the local savings banks are guaranteed through this affiliation. Crédit Mutuel Arkéa has received a collective license for itself and all member local savings banks since the ACPR felt that the liquidity and solvency of the local savings banks were guaranteed through this affiliation.

The solidarity mechanism is set up through the financial by-laws contained in each of the general operating by-laws of the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations. It only binds the member local savings banks, the federation and Crédit Mutuel Arkéa. Moreover, it does not create third-party obligations for the local savings banks. In other words, the members of Crédit Mutuel Arkéa are not liable to third parties. Creditors of a local savings bank can only assert their claims to that specific local savings bank, and not indiscriminately to another savings bank or Crédit Mutuel Arkéa.

2.2 The Federal Fund

As part of this solidarity mechanism, a federal fund is set up for each federation, which ensures compensatory earnings transfers among the member local savings banks pursuant to general resolution No. 2-1982 of the *Confédération Nationale du Crédit Mutuel*. This federal fund receives allocations and subsidies from the local savings bank and is made up of the federal solidarity fund and the federal reserve fund.

- The Federal Solidarity Fund performs compensatory earnings transfers among member local savings banks through contributions and subsidies. All local savings banks that have recorded net losses for three consecutive years are subjected to a special audit. A turnaround plan is drawn up by the corresponding federation and Crédit Mutuel Arkéa. If the loss has not been eliminated at the end of the turnaround period set in the plan, the corresponding federation in conjunction with Crédit Mutuel Arkéa will decide on the local savings bank's future.
- The Federal Reserve Fund may provide financial support to local savings banks whose net financial position is negative or which show a loss, as well as those that have experienced an extraordinary loss. Each year, the federation determines the level of contribution to this fund. The federal reserve fund is administered by the federation. The requests it receives for financial support are reviewed by a committee consisting of directors.

In addition to this Federal Fund, Crédit Mutuel Arkéa may also provide advances, subsidies and loans to local savings banks experiencing financial difficulties.

3. Nationwide Solidarity

Crédit Mutuel is subject to the French *Code monétaire et financier*, and in particular by Articles L.511-30 to L.511-32 on central bodies and L.512-55 to L.512-59 on Crédit Mutuel.

The membership of the regional groups (second level of the organization) in the Confédération and Caisse Centrale du Crédit Mutuel (third level) ensures nationwide solidarity.

As the central body, the Confédération Nationale du Crédit Mutuel represents member credit institutions on matters involving the Banque de France and the Prudential Control and Resolution Authority (ACPR). It also ensures compliance with laws and regulations that govern its institutions. Finally, it performs administrative, technical and financial control over the organization and the management of member institutions.

4. Boards of directors and executive management

The business address of each member of the Board of Directors and Executive Management Committee mentioned in Section 2.1 of the 2015 Registration Document is the registered office of Crédit Mutuel Arkéa (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France).

Please note that Mr. Christian David, Jean-Yves Eozenou, Michel Gourtay and Christian Peron, whose term of office as Directors of the Issuer were expiring in 2016 have all been renewed by the shareholder's general meeting of the Issuer held on 21 April 2016.

Mr. Jean-Louis Dussouchaud and Raymond Viandon whose term of office as Director of the Issuer were expiring in 2016 have been replaced by Mrs. Sophie Violleau and Anne-Gaëlle Le Bail respectively by the shareholder's general meeting of the Issuer held on 21 April 2016.

Mrs. Sophie Violleau has no position within Crédit Mutuel Arkéa. She is Head of Customer Services at STGA (*Société des Transports du Grand Angoulême*) and founder and co-manager of PARENTEO Services.

Mrs. Anne-Gaëlle Le Bail has no position within Crédit Mutuel Arkéa. She is Finance Manager at STERIS SAS.

Mrs. Marta Crenn has been appointed non-voting member (*censeur*) of the Board of Directors by the shareholder's general meeting of the Issuer held on 21 April 2016. She is an independent consultant and trainer in management.

As of the date for this Base Prospectus, there were no conflicts of interest between any duties of the members of the Board of Directors and (i) Crédit Mutuel Arkéa (ii) and/or their other duties (iii) and/or their private interests.

5. Overview of shareholders' equity and long term debt as at 25 July 2016:

Overview of shareholders' equity and long term debt as at 25 July 2016 (unaudited)	M€
LONG TERM DEBT	10,319
Bond issues	9,442
Indefinite-term subordinated debt	98
Subordinated debt	779
SHAREHOLDERS' EQUITY (excluding net income/loss for the period)	2,199
Share capital and related reserves	2,199

RECENT DEVELOPMENT

Press Release dated 18 May 2016

“Brest, 18th May 2016

The Board of Directors of the *Confédération Nationale du Crédit Mutuel* succinctly discussed today the propositions for an open dialogue expressed by Crédit Mutuel Arkéa in a meeting with Nicolas Théry held on May 3rd at the initiative of Jean-Pierre Denis, Chairman of the Board of Crédit Mutuel Arkéa.

The purpose of these propositions was to reach an agreement with the *Confédération* and to acknowledge the existence of two autonomous banking groups competing on all their activities, in strict compliance with the law and respect of all parties' interests.

The propositions from Crédit Mutuel Arkéa were rejected without exceptions and without any thorough analysis by the Board of Directors of the *Confédération*.

Crédit Mutuel Arkéa takes note of this refusal and can only regret that constructive attempts for openness and dialogue were rejected.

The propositions of Crédit Mutuel Arkéa are a step forward in the search for a rapid and appeased long-term solution, respectful of all stakeholders' interests.”

Press Release dated 6 June 2016

Crédit Mutuel Arkéa completes the acquisition of the Belgian online bank Keytrade

The acquisition positions Crédit Mutuel Arkéa to become a leader in the European online banking market
Brest, 6 June 2016 – Crédit Mutuel Arkéa announced that it has acquired all of the business activities of Keytrade Bank, the undisputed Belgian leader for online banking. The transaction enables the Crédit Mutuel Arkéa banking and insurance Group to significantly accelerate its international development, which is one of the objectives of its Arkéa 2020 strategic business plan. Meanwhile, Keytrade Bank will continue its growth trajectory backed by a very solid and actively engaged banking group.

With a presence in online banking dating back to 1995, Crédit Mutuel Arkéa is amongst the French pioneers for digital financial services. After creating the online brokerage firm Symphonis in 2000, the Group acquired Fortuneo in 2006 and took on a whole new dimension, since Fortuneo currently has more than 365,000 clients in France and Belgium. With the acquisition of Keytrade Bank, Crédit Mutuel Arkéa has now taken yet another major step forward.

This acquisition, which is fully consistent with the goals of the Arkéa 2020 strategic business plan, enables Crédit Mutuel Arkéa to accelerate its development in online banking and digital financial services while substantially strengthening its European positioning.

The addition of Keytrade Bank creates a major European online banking player, with more than 600,000 clients in four countries (France, Belgium, Luxembourg and Switzerland) and €20 billion in assets under management. A new step in the development of Keytrade Bank, the undisputed online banking leader in Belgium

With more than 200,000 clients and nearly 140 employees, Keytrade Bank is currently the online banking leader in Belgium, with rapidly growing sales and earnings. As a platform for investors, Keytrade Bank also offers a comprehensive line of banking services (sight accounts, payments and savings products), life insurance products and online asset management services.

By joining Crédit Mutuel Arkéa Group, Keytrade Bank adds yet another chapter to its history. The Belgian bank will be able to capitalise on the backing of a solid bank to accelerate its own growth.

With a common vision and shared values, the two companies will pool their expertise in order to strengthen their positions in a rapidly growing market. In so doing, they will be amongst those building the bank of tomorrow

today.

Ronan Le Moal, the Chief Executive Officer of Crédit Mutuel Arkéa, noted: “The acquisition of Keytrade Bank satisfies one of Crédit Mutuel Arkéa’s main goals and a central part of our Arkéa 2020 strategic business plan, namely to become a European online banking leader through strong local brands. Keytrade Bank will be the flagship brand for Belgium, Luxembourg and Switzerland. We are very enthusiastic about this project and are thrilled to share our expertise along with Keytrade Bank in order to achieve a successful outcome. Together, we share a common vision, namely putting client satisfaction first while ensuring that we provide our clients with more guidance, simplicity and transparency on a daily basis.”

Thierry Ternier, the Chief Executive Officer of Keytrade Bank, added: “Thanks to Crédit Mutuel Arkéa’s support, we will be able to inject new momentum into the online banking market and provide a genuine alternative to retail banks. At the beginning of next year, for example, we will offer mortgage loans that can be subscribed 100% online. Belgians will no longer have a reason not to become online banking clients. This strengthening of our products and services marks a major step towards achieving our goals, namely to grow our client base to more than 500,000 within a few years.”

FORM OF FINAL TERMS

Final Terms dated [●]

[LOGO, if document is printed]

CREDIT MUTUEL ARKÉA

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €13,000,000,000 Euro Medium Term Note Programme

[Name(s) of Dealer(s)]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Base Prospectus dated 27 July 2016 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the prospectus directive (Directive 2003/71/EC) as amended (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. [However, a summary of the issue of the Notes is annexed to these Final Terms.]³ [These Final Terms, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of twelve (12) months from the date of the Base Prospectus, [and] during normal business hours at, and copies may be obtained from, the registered office of the Issuer and at the specified office of the Paying Agent(s).] [In addition⁴, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [on/at] [●].]

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.)

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions which are the [2015 EMTN Conditions] / [2014 EMTN Conditions] / [2013 EMTN Conditions] / [2012 EMTN Conditions] / [2011 EMTN Conditions] / [2010 EMTN Conditions] / [2009 EMTN Conditions] / [2008 EMTN Conditions] / [2007 EMTN Conditions] / [2006 EMTN Conditions] / [2005 EMTN Conditions] / [2004 EMTN Conditions] which are incorporated by reference in this Base Prospectus (as defined below). 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), as amended (the "**Prospectus Directive**") and must be read in conjunction with the base prospectus dated [27] July 2016 [and the supplement[s] thereto dated [●]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive, including the [2015 EMTN Conditions] / [2014 EMTN Conditions] / [2013 EMTN Conditions] / [2012 EMTN Conditions] / [2011 EMTN Conditions] / [2010 EMTN Conditions] / [2009 EMTN Conditions] / [2008 EMTN Conditions] / [2007 EMTN Conditions] / [2006 EMTN Conditions] / [2005 EMTN Conditions] / [2004 EMTN Conditions] which are incorporated by reference in the Base Prospectus. 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 Base Prospectus and the [2015 EMTN Conditions] / [2014 EMTN Conditions] / [2013 EMTN Conditions] / [2012 EMTN Conditions] / [2011 EMTN Conditions] / [2010 EMTN Conditions] / [2009 EMTN Conditions] / [2008 EMTN Conditions] / [2007 EMTN Conditions] / [2006 EMTN Conditions] / [2005 EMTN Conditions] / [2004 EMTN Conditions]. [However, a summary of the issue of the Notes is annexed to these Final Terms.]⁵ These Final Terms, the Base Prospectus are available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of twelve months from the date of the Base Prospectus, [and] during normal business hours at, and copies may be obtained from, the registered office of the Issuer and at the specified office of the Paying Agent(s).] [In addition⁶, the Base Prospectus is available for viewing [on/at] [●].]

(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.)

- | | | | |
|----|------|------------------------|-----|
| 1. | (i) | Series Number: | [●] |
| | (ii) | Tranche Number: | [●] |

³ Not required for Notes with a denomination per unit of at least €100,000.

⁴ If the Notes are admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange.

⁵ Not required for Notes with a denomination per unit of at least €100,000.

⁶ If the Notes are admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange.

[(iii) Date on which the Notes will be assimilated (*assimilables*) and form a single Series:

The Notes will be assimilated (*assimilables*) and form a single Series [identify earlier Tranches] on [the Issue Date/exchange of the Temporary Global Certificate for interests in the Definitive Materialised Notes, as referred in paragraph 22(iii) below, which is expected to occur on or about [●] (the "Exchange Date").]

2. **Specified Currency:** [●]
3. **Aggregate Nominal Amount of Notes:** [●]
- (i) **Series:** [●]
- (ii) **Tranche:** [●]
4. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]] (*in the case of Notes to be assimilated with a previous Tranche*)
5. **Specified Denominations:** [●]⁷ (*one denomination only for Dematerialised Notes*) (*Not less than €1,000 or its equivalent in other currency at the Issue Date for Notes admitted to trading or offered to the public in the EEA in circumstances where a prospectus is required to be published under the Prospectus Directive*)
6. (i) **Issue Date:** [●]
- (ii) **Interest Commencement Date:** [[●]/Issue Date/Not Applicable]
7. **Maturity Date:** [*Specify date / (for Floating Rate Notes, CMS Linked Notes, Inverse Floating Rate Notes, Inverse CMS Rate Notes, Range Accrual Notes where the Applicable Rate is a Floating Rate or a CMS Rate) Interest Payment Date falling in or nearest to the relevant month and year*] [in the case of Subordinated Notes, the Maturity Date shall be at least five years after the Issue Date]
8. **Interest Basis:** [[●] per cent. Fixed Rate]
[Fixed Rate Resetable]
[[*EURIBOR or LIBOR*] +/- [●] per cent. Floating Rate]
[Fixed/Floating Rate]
[CMS Linked]
[Range Accrual]
[Inverse Floating Rate]/[Inverse CMS Rate]
[Zero Coupon]
(*further particulars specified below*)

⁷ Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S19 FSMA and] which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

9. **Change of Interest Basis:** [Specify the date(s) when any interest rate change(s) occur(s) and/or refer to the relevant paragraphs 13 to 15 below and identify there and complete accordingly/Not Applicable]
10. **Redemption/ Basis:** Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11. **Put/Call Options:** [Noteholder Put]
[Call Option]
[Not Applicable]
[(further particulars specified below)]
12. (i) Status: [Senior Notes / Subordinated Notes]
- (ii) Date [Board] approval for issuance of Notes obtained: [●] (Date of the authorisation by the competent body of the Issuer to be inserted)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [●] per Note of [●] Specified Denomination
- (iv) Broken Amount(s): [[●] per Specified Denomination payable on the Interest Payment Date falling [in / on] [●]/ [Not Applicable]
- (v) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual- ICMA / Actual/Actual-FBF/ Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]
- (vi) Determination Dates: [[●] in each year]/[Not Applicable] (N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon.)
- (vii) Fixed Rate Resettable Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Initial Rate of Interest [●] per cent. per annum payable on each Specified Interest Payment Date in arrear
- First Margin [+/-] [●] per cent. per annum

- Subsequent Margin [[+/-] [●] per cent. per annum/Not Applicable]
- First Reset Date [●]
- [Second Reset Date [[●]/Not Applicable]]
- Subsequent Reset Date(s) [[●] [and [●]]/Not Applicable]
- Relevant Screen Page [●]
- Mid-Swap Rate [Single Mid-Swap Rate/Mean Mid-Swap Rate]
- Mid-Swap term [●]
- Mid-Swap Maturity [●]
- Reset Determination Date [●] (*specify in relation to each Reset Date*)
- Relevant Time [●]

14.

Floating Rate Note Provisions:

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Date(s): [●] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]
- (iii) Interest Period Date: [Not Applicable/ *specify dates*]
- (iv) First Interest Payment Date: [●]
- (v) Business Day Convention: [Floating Rate Business Day Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention]/[Not Applicable]
- (vi) Business Centre(s) (Condition 5(a)): [●] (*Specify the relevant Business Centre(s) applicable pursuant to Condition 5(a)*)/[Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): [●] (*give name and address*)/[Not Applicable]
- (ix) Screen Rate Determination: [Applicable/Not Applicable]
 - Relevant Time: [●]/[Not Applicable]
 - Interest Determination Date(s): [●]/[Not Applicable]
 - Primary Source : [*Specify Relevant Screen Page* or "Reference Banks"]

- Reference Banks (if Primary Source is "Reference Banks"): [Specify four]/[Not Applicable]
 - Relevant Financial Centre: *(The financial centre most closely connected to the benchmark - specify if not Paris)*
 - Benchmark: [●] *(specify benchmark EURIBOR or LIBOR)*
 - Linear Interpolation: [Applicable/Note Applicable] *[If applicable and the Rate of Interest is determined by linear interpolation in respect of an interest accrual period (as per Condition 5(c), insert the relevant interest accrual period(s) and the relevant two rates used for such determination]*
 - Representative Amount: [●] *(Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount)*
 - Effective Date: [●] *(Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period)*
 - Specified Duration: [●] *(Specify period for quotation if not duration of Interest Accrual Period)*
 - (x) FBF Determination: [Applicable/Not Applicable]
 - Floating Rate (*Taux Variable*): [●] *(specify Benchmark EURIBOR or LIBOR and months e.g. EURIBOR 3 months)*
 - Linear Interpolation: [Applicable/Note Applicable] *[If applicable and the Rate of Interest is determined by linear interpolation in respect of an interest accrual period (as per Condition 5(c), insert the relevant interest accrual period(s) and the relevant two rates used for such determination]*
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]
 - (xi) Margin(s): [+/-] [●] per cent. per annum
 - (xii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
 - (xiii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
 - (xiv) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]
- 15. CMS Linked Note Provisions:** [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Applicable formula to be used for calculating the Rate(s) of Interest and Interest Amount(s): Condition 5(d) formula [A/B/C/D/E/F/G/H] shall apply. (specify which formula set out in Condition 5(d) shall be used for calculating the Rate(s) of Interest and Interest Amount(s))
- (ii) Interest Period(s): [●]
- (iii) Specified Interest Payment Date(s): [●]
- (iv) Interest Period Date: [Not Applicable/ specify dates]
- (v) First Interest Payment Date: [●]
- (vi) Business Day Convention: [Floating Rate Business Day Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention] / [Not Applicable]
- (vii) Business Centre(s) (Condition 5(a)): [●] (Specify the relevant Business Centre(s) applicable pursuant to Condition 5(a)) / [Not Applicable]
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / FBF Determination]
- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Calculation Agent]): [●] (give name and address) / [Not Applicable]
- (x) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate(s): [CMS Rate: specify] [CMS Rate₁ : specify] [CMS Rate₂ : specify]
- Interest Determination Date: [[●]/[TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
- Relevant Screen Page(s): [●]
- (xi) Applicable Rate: [●]
- (xii) Rate Multiplier: [Not Applicable/ The Rate Multiplier shall be [●]] (If not applicable, delete the remaining subparagraph of this paragraph)
- (xiii) Margin: [+/-] [●] per cent. per annum
- (xiv) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xv) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xvi) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]
- 16. Range Accrual Note Provisions:** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Applicable Rate: [●]
- (ii) Interest Period(s): [●]
- (iii) Specified Interest Payment Date(s): [●]
- (iv) Interest Period Date(s): [Not Applicable/ *specify dates*]
- (v) First Interest Payment Date: [●]
- (vi) Business Day Convention: [Floating Rate Business Day Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention] / [Not Applicable]
- (vii) Business Centre(s) (Condition 5(a)): [●] (*Specify the relevant Business Centre(s) applicable pursuant to Condition 5(a)*) / [Not Applicable]
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / FBF Determination]
- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Calculation Agent]): [●] (*give name and address*) / [Not Applicable]
- (x) Underlying: [[●] month EURIBOR/LIBOR/[●] year EUR CMS]
- (xi) Screen Rate Determination:
 - [[Relevant Time: [●] / [Not Applicable] (*only applicable in respect of EURIBOR/LIBOR*)]
 - [Primary Source]/ [Relevant Screen Page] : [*Specify Relevant Screen Page or "Reference Banks"*] (*in respect of EURIBOR/LIBOR, specify Relevant Screen Page or "Reference Bank"*) (*in respect of EUR CMS, specify Relevant Screen Page*)
 - [Reference Banks (if Primary Source is "Reference Banks")]: [*Specify four*] / [Not Applicable] (*only applicable in respect of EURIBOR/LIBOR*)]
 - [Relevant Financial Centre: (*The financial centre most closely connected to the benchmark - specify if not Paris*) (*only applicable in respect of EURIBOR/LIBOR*)]
 - [Representative Amount: [●] (*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*) (*only applicable in respect of EURIBOR/LIBOR*)]
 - [Effective Date: [●] (*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*) (*only applicable in respect of EURIBOR/LIBOR*)]
- (xii) Interest Observation Period: [●]
- (xiii) Range Accrual Day(s): [●]

- (xiv) Range:
- Range₁: [Applicable/Not Applicable]
- Range₂: [Applicable/Not Applicable]
- Range₃: [Applicable/Not Applicable]
- Range₄: [Applicable/Not Applicable]
- Range₅: [Applicable/Not Applicable]
- (xv) Lower Limit: [●]
- (xvi) Upper Limit: [●]
- (xvii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xviii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xix) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30^a/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]

- 17. Inverse Floating Rate Note and Inverse CMS Rate Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (A) Inverse Floating Rate Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Fixed Rate: [●]
- (ii) Interest Period(s): [●]
- (iii) Specified Interest Payment Date(s): [●]
- (iv) Interest Period Date: [Not Applicable/ *specify dates*]
- (v) First Interest Payment Date: [●]
- (vi) Business Day Convention: [Floating Rate Business Day Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention]/[Not Applicable]
- (vii) Business Centre(s) (Condition 5(a)): [●] *(Specify the relevant Business Centre(s) applicable pursuant to Condition 5(a))*/[Not Applicable]
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination]
- (ix) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): [●] *(give name and address)*/[Not Applicable]

- (x) Screen Rate Determination: [Applicable/Not Applicable]
- Relevant Time: [●]/[Not Applicable]
- Interest Determination Date(s): [●]/[Not Applicable]
- Primary Source : [*Specify Relevant Screen Page* or "Reference Banks"]
- Reference Banks (if Primary Source is "Reference Banks"): [*Specify four*]/[Not Applicable]
- Relevant Financial Centre: (*The financial centre most closely connected to the benchmark - specify if not Paris*)
- Benchmark: [●] (*specify benchmark EURIBOR or LIBOR*)
- Linear Interpolation: [*Applicable/Not Applicable*] [*If applicable and the Rate of Interest is determined by linear interpolation in respect of an interest accrual period (as per Condition 5(c), insert the relevant interest accrual period(s) and the relevant two rates used for such determination*)]
- Representative Amount: [●] (*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*)
- Effective Date: [●] (*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*)
- Specified Duration: [●] (*Specify period for quotation if not duration of Interest Accrual Period*)
- (xi) FBF Determination [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): [●] (*Specify Benchmark EURIBOR or LIBOR and months e.g. EURIBOR 3 months*)
- Linear Interpolation: [*Applicable/Not Applicable*] [*If applicable and the Rate of Interest is determined by linear interpolation in respect of an interest accrual period (as per Condition 5(c), insert the relevant interest accrual period(s) and the relevant two rates used for such determination*)]
- Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]
- (xii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiv) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA]

/ Actual/Actual ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]

(B) Inverse CMS Rate Note Provisions:

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Fixed Rate: [●]
- (ii) Interest Period(s): [●]
- (iii) Specified Interest Payment Date(s): [●]
- (iv) Interest Period Date: [Not Applicable/ *specify dates*]
- (v) First Interest Payment Date: [●]
- (vi) Business Day Convention: [Floating Rate Business Day Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention] / [Not Applicable]
- (vii) Business Centre(s) (Condition 5(a)): [●] *(Specify the relevant Business Centre(s) applicable pursuant to Condition 5(a))* / [Not Applicable]
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / FBF Determination]
- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Calculation Agent]): [●] *(give name and address)* / [Not Applicable]
- (x) Screen Rate Determination: [Applicable/Not Applicable]
 - Reference Rate(s): [*specify*]
 - Interest Determination Date: [[●]/[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
 - Relevant Screen Page(s): [●]
- (xi) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiii) Day Count Fraction: [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]

- 18. Zero Coupon Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. Per annum
- (ii) Day Count Fraction : [Actual/365 / Actual/365-FBF / Actual/Actual-ISDA / Actual/Actual- ICMA / Actual/Actual-FBF / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30^a/360 (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF]

PROVISIONS RELATING TO REDEMPTION

- 19. Call Option:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●] [in the case of Subordinated Notes, the first Optional Redemption Date shall be at least five years after the Issue Date]
- (ii) Components of the formula of the Optional Redemption Amount(s) of each Note: [Optional Redemption Amount: [●] Y = [●] per cent.]/[Not Applicable]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●]/[Not Applicable]
- (b) Maximum Redemption Amount: [●]/[Not Applicable]
- (iv) Notice Period⁸: [●] days
- 20. Put Option:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Components of the formula of the Optional Redemption Amount(s) of each Note: [Optional Redemption Amount: [●] Y = [●] per cent.]
- (iii) Notice Period⁷: [●] days

⁸ If setting notice periods are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

- 21. Early Redemption Amount:**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on Event of Default: per Note of Specified Denomination/Specified Denomination]
- (ii) Redemption for taxation reasons permitted on days other than Specified Interest Payment Dates: [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (*only applicable to Materialised Notes*): [Yes/No]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22. Form of Notes:** [Dematerialised Notes/ Materialised Notes] (Materialised Notes are only in bearer form)
(Delete as appropriate)
- (i) Form of Dematerialised Notes: [Not Applicable / (if Applicable specify whether bearer form (*au porteur*) / registered form (*au nominatif*))]
- (ii) Registration Agent: [Not Applicable/ (if applicable give name and address)] (Note that a Registration Agent must be appointed in relation to Fully Registered Dematerialised Notes only)
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on the "**Exchange Date**", being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- 23. Additional Financial Centre(s):** [Not Applicable/Specify any other applicable Financial Centre]. (Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 12 (ii) and 13 (ii) relate)
- 24. Talons for future Coupons to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable] (*Only applicable to Materialised Notes*)
- 25. Exclusion of the possibility to request identification information of Noteholders as provided by Condition 1(a)(i):** [Not Applicable/Applicable]
- 26. Masse (Condition 11):** [Full Masse]/[Contractual Masse] shall apply (Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse)

may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11(a) (Full Masse) shall apply. Insert, as the case may be, details of Representative and Alternative Representative and remuneration)

[THIRD PARTY INFORMATION

(Relevant third party information) has been extracted from *(specify source)*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by *(specify source)*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [name of the Issuer]:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) (a) Listing and admission to trading:

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange]/[specify other relevant regulated market] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange]/[specify other relevant regulated market]] with effect from [●].] [Not Applicable]

[The [first / (specify)] Tranche(s) of the Notes are already listed as from [its/their respective] Issue Date.]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

[(b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be offered or admitted to trading are already admitted to trading:

[●]/[Not Applicable]⁹]

- [(ii) Estimate of total expenses related to admission to trading:

[●]/[Not Applicable]¹⁰]

2. RATINGS

Ratings:

[The Notes have not been rated/The Notes to be issued have been/are expected to be rated:

[S & P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[[Other]: [●]]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider¹¹]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

⁹ Not required for Notes with a denomination per unit of at least €100,000.

¹⁰ Required for Notes with a denomination per unit of at least €100,000 to which Annex XIII to the Prospectus Directive Regulation applies

¹¹ Not required for Notes with a denomination per unit of at least €100,000.

[Insert credit rating agency/ies] is/are established in the European Union and registered under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"), and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).] /

[[●] [insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.] /

[[●] [Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"), but is endorsed by [insert credit rating agency] which is established in the European Union, registered under the CRA Regulation and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).] /

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009.]

[[Insert credit rating agency/ies] [is/are] not established in the European Union and [is/are] not endorsed under Regulation (EC) No 1060/2009 as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**") but [is/are] certified under the CRA Regulation.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below)

[Save for any fees payable to the [Manager(s)/Dealer(s)], so far as the Issuer is aware, no person involved in the [issue/offer] of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and [its/their] affiliates in the ordinary course of business.] *(Amend as appropriate if there are other interests)*

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer: /[Not Applicable]
(If reasons for offer different from general corporate purposes will need to include those reasons here.)

(ii) Estimated net proceeds: /[Not Applicable]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

(iii) Estimated total expenses: (Include breakdown of expenses.)

5. Fixed Rate Notes only – YIELD

Indication of yield: /[Not Applicable]

6. Floating Rate Notes only - HISTORIC INTEREST RATES

[Details of historic [EURIBOR, LIBOR or EUR CMS] rates can be obtained from [Reuters/other].] / [Not Applicable]

7. OPERATIONAL INFORMATION

ISIN Code:

Common Code:

Depositories:

(i) Euroclear France to act as central depository [Yes/No]

(ii) Common Depository for Euroclear Bank and Clearstream Banking, société anonyme [Yes/No]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent:

Names and addresses of additional Paying Agent(s) (if any):

8. DISTRIBUTION

(i) Method of distribution: [Syndicated/Non syndicated]

(ii) If syndicated:

- names [and addresses¹²] of Managers [and underwriting commitments¹³]: [Not Applicable/(give names[, addresses and

¹² Not required for Notes with a denomination per unit of at least €100,000.

*underwriting commitments*¹⁴]

*[(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*¹⁵]

- [Date of [Subscription] Agreement: [●]]¹⁶
- Stabilising Manager(s) (if any): [Not Applicable/(give name)]
 - (iii) If non-syndicated, name [and address]¹⁷ of Dealer: [Not Applicable/(give name [and address])]
 - (iv) [Total commission and concession]¹⁸: [●] per cent. of the Aggregate Nominal Amount]
 - (v) U.S. Selling Restrictions: [TEFRA C/TEFRA D/ TEFRA not applicable]
 - (vi) Non-exempt Offer: [Applicable][Not Applicable] *(If not applicable, delete the remaining placeholders of this subparagraph (vi) and also paragraph 10 below)*
- Non-exempt Offer Jurisdictions: [France]/[Luxembourg]/[●]
- Offer Period: [Specify date] until [specify date]
- Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the conditions in it: *[Insert names and addresses of financial intermediaries receiving consent (specific consent)]*
- General Consent: [Not Applicable][Applicable]
- Other Authorised Offeror Terms: [Not Applicable][Add here any other Authorised Offeror Terms]
(Authorised Offeror Terms should only be included here where General Consent is Applicable)

9. TERMS AND CONDITIONS OF THE OFFER

- (i) Offer Price: [The Offer Price amounts to [●] being the initial issue price of [●] at which the Issuer has offered the Notes to the Managers, less a total commission of [●].]
(or where the price is not determined at the date of the Final Terms)
[The issue price of the Notes will be determined by the Issuer and the Managers on or about [●] in accordance with market conditions then prevailing, including *[supply and demand for the Notes and other similar securities]* [and] [the then current market price of *[insert relevant benchmark security, if any].*]
- (ii) Conditions to which the offer is

13 Not required for Notes with a denomination per unit of at least €100,000.

14 Not required for Notes with a denomination per unit of at least €100,000.

15 Not required for Notes with a denomination per unit of at least €100,000.

16 Not required for Notes with a denomination per unit of at least €100,000.

17 Not required for Notes with a denomination per unit of at least €100,000.

18 Not required for Notes with a denomination per unit of at least €100,000.

- subject: [Offers of the Notes are conditional [on their issue [only applicable to offers during the subscription period]] [on any additional conditions set out in the standard terms of business of the financial intermediaries, notified to investors by such relevant Financial Intermediaries].]
- (iii) Total amount of the issue/offer: [●] (if the amount is not fixed, insert a description of the arrangements and time for announcing to the public the definitive amount of the offer.)
- (iv) Description of the application process: [Not Applicable/give details]
- (v) Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [Not Applicable/give details]
- (vi) Details of the minimum and/or maximum amount of application: [Not Applicable/give details]
- (vii) Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant financial intermediary of their allocations of Notes and the settlement arrangements in respect thereof.]
- (viii) Manner in and date on which results of the offer are to be made public: [Not Applicable/give details]
- (ix) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]
- (x) If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche: Offers may be made by the financial intermediaries [insert jurisdiction where the Base Prospectus has been approved and published and jurisdictions into which it has been passported] to any person. In other EEA countries, offers will only be made by the financial intermediaries pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.]
- (xi) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [Not Applicable/give details]

(xii) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

[Not Applicable/give details]

(xiii) Authorised Offeror(s) in the various countries where the offer takes place:

[Not Applicable / Name(s) and address(es) of the financial intermediary(ies) appointed by the Issuer to act as Authorised Offeror(s)/ Any financial intermediary which satisfies the conditions set out below in item "Conditions attached to the consent of the Issuer to use the Base Prospectus"]

[ANNEX – FORM OF ISSUE SPECIFIC SUMMARY]

(Issuer to annex form of issue specific summary to the Final Terms)

TAXATION

The following is a summary limited to certain tax considerations in France and in Luxembourg relating to the payments made in respect of the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force in France and in the Grand Duchy of Luxembourg as of the date of this Base Prospectus and as applied by the tax authorities, all of which are subject to changes or to different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. It is included herein solely for information purposes and is not intended to be, nor should it be construed to be, legal or tax advice. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes in light of its particular circumstances. This summary does not apply when payments of interest and other revenues with respect to the Notes are made by a paying agent (within the meaning of Council Directive 2003/48/EC) established in Austria.

1. French Taxation

The following is a basic summary of certain French withholding tax considerations which may be relevant to the payments in respect of Notes made to a Noteholder who (i) is not a French resident for tax purposes, (ii) does not hold the Notes in connection with a permanent establishment or a fixed base in France and (iii) does not concurrently hold shares of the Issuer. This summary is based on the tax laws and regulations of France, as currently in force and applied by the French tax authorities, all of which are subject to change or to different interpretation. This summary is for general information and does not purport to address all French tax considerations that may be relevant to specific holders in light of their particular situation. Persons considering the purchase of Notes should consult their own tax advisers as to French tax considerations relating to the purchase, ownership and disposition of Notes in light of their particular situation. Investors who are in doubt as to their tax position should consult their professional tax advisers.

- (a) Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a seventy-five per cent. (75 %) withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*. The 75% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperate States is published by a ministerial executive order, which is updated on a yearly basis.

Notwithstanding the foregoing, the Law provides that the seventy-five per cent. (75%) withholding tax will not apply in respect of the issue of the Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to official guidelines issued by the French tax authorities under the references BOI-INT-DG-20-50-20140211, no. 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70 and BOI-IR-DOMIC-10-20-20-60-20150320, no.10, an issue of notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of the notes if such notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French

Code monétaire et financier, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

Furthermore, pursuant to Article 238 A of the French *Code général des impôts*, interest and other revenues on such Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 bis of the French *Code général des impôts*, at a rate of thirty per cent. (30%) or seventy-five per cent. (75%), subject to the more favourable provisions of an applicable double tax treaty, if any.

However, neither the non-deductibility set out under Article 238 A of the French *Code général des impôts*, nor the withholding tax set out under article 119 bis 2 of the same code will apply in respect of the Notes solely by reason of the relevant payments being made to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State if the Issuer can prove that it can benefit from the Exception and that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount. Pursuant to the official guidelines issued by the French tax authorities under the references BOI-INT-DG-20-50-20140211, no. 550 and BOI-RPPM-RCM-30-10-20-40-20140211, no. 80, the issue of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes if the Notes satisfy one of the three above-mentioned conditions.

- (b) Pursuant to Article 125 A and 125 D of the French *Code général des impôts* and subject to certain limited exceptions, interest and other revenues received under the Notes by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24% withholding tax. This withholding tax is an advance payment made in respect of the personal income tax of the individual receiving the interest or revenue, which is deductible from his personal income tax liability in respect of the year during which the withholding has been made. If the amount of this withholding tax exceeds the amount of personal income tax due, the excess is refundable. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at an aggregate rate of fifteen point five per cent. (15.5%) on interest and similar revenues paid by the Issuer under the Notes, to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

2. Luxembourg Taxation - Withholding Tax

- (a) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force there is no Luxembourg withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

- (b) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the amended law of 23 December 2005 (the "**Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent (defined in the same way as in the Law) established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of ten per cent. (10%). Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of ten per cent. (10%). Pursuant to the Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent tax on interest payments made after 31 December 2007 by paying agents (as such term is defined in the Savings Directive) located in a Member State of the EU other than Luxembourg, a Member State of the European Economic Area other than a Member State of the EU, or in a State or territory which has concluded an international agreement directly related to the Savings Directive. In such case, the 10% levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The 10% levy is final when Luxembourg

resident individuals are acting in the context of the management of their private wealth. The option for the 10% final levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year. The Luxembourg resident individual who is the beneficial owner of interest is responsible for the declaration and the payment of the 10% final levy.

Income tax on principal, interest, gains on sales or redemption

Luxembourg resident corporate holders of the Notes

Luxembourg resident corporate holders, or holders of the Notes who have a permanent establishment, a permanent representative or a fixed place of business in Luxembourg with which the holding of the Notes is connected, must for income tax purposes include any interest receivable as well as the difference between the sale or redemption price and the lower of the cost or book value of the Notes sold or redeemed in their taxable income for Luxembourg tax assessment purposes. They will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate holders of the Notes which are companies benefiting from a special tax regime (such as family estate management companies subject to the amended law of 11 May 2007, undertakings for collective investment subject to the amended law of 17 December 2010 or specialised investment funds subject to the amended law of 13 February 2007) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (*i.e.* corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid-up) share capital (and share premium) or net asset value.

Luxembourg resident individual holders of the Notes

An individual holder of the Notes acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, accrued but unpaid interest in case of disposal of the Notes, redemption premiums or issue discounts under the Notes except if the 10% final withholding tax has been levied on such payments or if the individual holder of the Notes has opted for the application of a 10% levy in full discharge of income tax in accordance with the Law.

Under Luxembourg domestic tax law, Luxembourg resident individual holders of the Notes who acts in the course of the management of his/her private wealth, are not subject to taxation on capital gains upon the disposition of the Notes, unless the disposition of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of these Notes. Upon a redemption of the Notes, individual Luxembourg resident Noteholders must however include the portion of the redemption price corresponding to accrued but unpaid interest in their taxable income.

Gains realised upon a disposal of the Notes by an individual holder of the Notes acting in the course of the management of a professional or business undertaking are subject to Luxembourg income taxes.

Net wealth tax

Luxembourg net wealth tax will be levied on a Luxembourg resident holder of the Notes, unless if the holder of the Notes is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the amended law of 17 December 2010, (iii) a specialised investment fund governed by the amended law of 13 February 2007 (iv) a securitisation company governed by the amended law of 22 March 2004 on securitisation; (v) a company governed by the amended law of 15 June 2004 on the investment company in risk capital; or (vi) a family wealth management company governed by the amended law of 11 May 2007 on family estate management companies.

However, subject to the law of 18 December 2015, a minimum net wealth tax would be applicable for a securitisation company governed by the amended law of 22 March 2004 on securitisation and a company governed by the amended law of 15 June 2004 on the investment company in risk capital.

Luxembourg net wealth tax has been abolished for individual holders of the Notes as from the year 2006.

Other taxes

No stamp, registration, transfer or similar taxes or duties will be payable in Luxembourg by the holders of the Notes in connection with the issue of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption of the Notes, unless the documents relating to the Notes are voluntarily registered in Luxembourg.

Under Luxembourg tax law, where an individual holder of the Notes is a resident of Luxembourg for inheritance tax purposes at the time of his/her death, the Notes are included in his or her taxable basis for inheritance tax purposes.

Gift tax may be due on a gift or donation of the Notes, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

3. United States of America - Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") impose a new reporting regime and potentially a thirty (30) per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a "**Recalcitrant Holder**").

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2019. This withholding would potentially apply to payments in respect of (i) any Notes characterized as debt (or which are "foreign passthru payments" not otherwise characterized as equity and have a fixed term) for U.S. federal income tax purposes that are issued on or after the "grandfathering date", which is the date that is six (6) months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same Series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives. Further, a Reporting FI in a IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and France have entered into an IGA based largely on the Model 1 IGA (the "**US-France IGA**").

The Issuer expects to be treated as a Reporting FI pursuant to a US-France IGA and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes on the Notes. However, no assurance can be given that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes on the Notes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder. Neither the Issuer nor any paying agent nor any other person will have any obligation to gross up or otherwise pay additional amounts for any U.S. withholding or deduction required with respect to payments on the Notes under or in connection with FATCA.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the US-France IGA, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated [27] July 2016 between the Issuer, the Arranger and the Permanent Dealers (the "**Dealer Agreement**"), the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealers have agreed to indemnify the Issuer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and that it will obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale. None of the Issuer or any other Dealer shall have responsibility therefore.

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Materialised Notes may only be issued outside France.

This Base Prospectus prepared in connection with the Notes has not been submitted to the clearance procedures of the *Autorité des marchés financiers* (the "**AMF**").

European Economic Area

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in a Member State of the European Economic Area ("**EEA**") except that it may make an offer of such Notes to the public in that Member State of the EEA:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Member State of the EEA (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State of the EEA or, where appropriate, approved in another Member State of the EEA and notified to the competent authority in that Member State of the EEA, provided that (a) the Issuer has given its written consent and (b) any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (ii) at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;

- (iii) at any time to fewer than one hundred and fifty (150) natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (ii) to (iv) above shall require 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.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State of the EEA by any measure implementing the Prospectus Directive in that Member State of the EEA and the expression "**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended and includes any relevant implementing measure in each relevant Member State of the EEA.

United States of America

The Notes have not been and will not be registered under the Securities Act, and subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons as defined under Regulation S. The Notes are being offered and sold outside of the United States in offshore transactions to non-U.S. persons in reliance on Regulation S. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell the Notes of any identifiable Tranche within the United States.

Materialised Notes having a maturity of more than one (1) year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

In addition, until forty (40) days after the commencement of the offering of any identifiable Tranche, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealer(s) reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

United Kingdom

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one (1) year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Italy

No Notes may be offered, sold or delivered, nor may copies of the Base Prospectus, the Final Terms or of any other document relating to the Notes be distributed in the Republic of Italy or to Italian investors either on the primary or secondary market.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended: the "FIEA"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to or for the benefit of a resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act No. 228 of 1949, as amended), or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws, regulations and ministerial guidelines of Japan.

The Netherlands

Each Dealer represents and agrees that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Notes other than to persons who trade or invest in securities in the conduct of a profession or business which includes banks, stock brokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises.

Kingdom of Spain

Each Dealer has represented and agreed that the Notes may not be offered or sold in the Kingdom of Spain save in accordance with the requirements of the Spanish Securities Market Law (*Ley del Mercado de Valores*) of 28 July 1988 as amended and restated and Royal Decree 291/1992 on Issues and Public Offering of Securities (*Real Decreto 291/1992 sobre Emisiones y Ofertas Publicas de Valores*) as amended and restated.

Switzerland

Each Dealer has agreed that any issue of Notes denominated in Swiss Francs will be in compliance with the guidelines of the Swiss National Bank regarding issues of Swiss Francs denominated debt securities.

France

Each of the Dealers and the Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(i) Offer to the public in France:

it has only made and will only make an offer of Notes to the public (*offre au public*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the AMF, on the date of its publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the provisions of the *Règlement général* of the AMF, and ending at the latest on the date which is twelve (12) months after the date of approval of the Base Prospectus; or

(ii) Private placement in France:

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, this Base Prospectus, 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 (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) investing

for their own account, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

GENERAL INFORMATION

- (1) This Base Prospectus has been approved by the CSSF, as competent authority in Luxembourg for the purposes of the Prospectus Directive. It has not been submitted to the clearance procedures of the AMF.
- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme. Any issuance of Notes under the Programme, to the extent that such Notes constitute *obligations* under French law, requires the prior authorisation of the Board of Directors (*Conseil d'Administration*) of the Issuer, which may delegate its power to its *Président* or to any other member of the Board of Directors (*Conseil d'Administration*) of the Issuer, or to the *Directeur Général* of the Issuer, or to any other person.

Any issuance of Notes under the Programme will, to the extent that such Notes do not constitute *obligations*, fall within the general powers of the *Directeur Général* of the Issuer or a *Directeur Général Délégué* of the Issuer or any other authorised official acting by delegation.

- (3) There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2015.
- (4) Except as disclosed on page 74 of the 2015 Registration Document which is incorporated by reference in on page 54 of this this Base Prospectus, there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2015.
- (5) Neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
- (6) There are no material contracts that are not entered into the ordinary course of the Issuer's business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.
- (7) Application may be made for Notes to be accepted for clearance through Euroclear France (66, rue de la Victoire, 75009 Paris, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream, Luxembourg (42, avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (8) Mazars, 61, rue Henri-Regnault, 92400 Courbevoie France and Deloitte & Associés, 185 avenue Charles de Gaulle BP 136, 92524 Neuilly sur Seine Cedex, France (both entities regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*) have audited and rendered unqualified audit reports on:
 - (i) the consolidated financial statements of the Issuer for the year ended 31 December 2015; and
 - (ii) the consolidated financial statements of the Issuer for the year ended 31 December 2014.
- (9) This Base Prospectus will be published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) during a period of twelve months from the date of this Base Prospectus. The Final Terms related to Notes admitted to trading on any Regulated Market of the EEA or offered to the the public in a Member State of the EEA, in each case in accordance with the Prospectus Directive, will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of twelve months from the date of this Base Prospectus.

In addition, should the Notes be admitted to trading on a Regulated Market of the EEA other than the Luxembourg Stock Exchange or offered to the public in a Member State of the EEA other than Luxembourg, in each case in accordance with the Prospectus Directive, the Final Terms related to those Notes will provide whether this Base Prospectus and the relevant Final Terms will be published on the website of (x) the Regulated Market of the Member State of the EEA where the Notes have been admitted to trading or offered to the public or (y) the competent authority of the Member State of the EEA where the

Notes have been admitted to trading or offered to the public.

- (10) Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (11) So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):
 - (i) the *statuts* of the Issuer;
 - (ii) the 2014 Registration Document and the 2015 Registration Document;
 - (iii) the Agency Agreement (which includes the form of the *Lettre Comptable*, the Temporary Global Certificates, the Definitive Materialised Notes, the Coupons and the Talons);
 - (iv) Final Terms for Notes that are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or any other Regulated Market in the EEA and/or that are offered to the public in Luxembourg and/or in any Member State of the EEA;
 - (v) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus;
 - (vi) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the relevant Issuer's request any part of which is included or referred to in this Base Prospectus.
- (12) For certain information as to the taxation of saving income, see "Taxation" above.
- (13) The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.
- (14) In relation to any Tranche of Fixed Rate Notes, an indication of yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.
- (15) Senior Notes to be issued under the Programme are expected to be rated A/A-1 by S&P. Subordinated Notes to be issued under the Programme are expected to be rated BBB by S&P.

As defined by S&P an obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the Issuer's capacity to meet its financial commitment on the obligation is still strong. A short-term obligation rated 'A-1' is rated in the highest category by S&P. The Issuer's capacity to meet its financial commitment on the obligation is strong.

The Issuer accepts no responsibility for the accuracy or reliability of the ratings. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning credit rating agency.

S&P is established in the European Union and registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the ESMA as of the date of this Base Prospectus¹⁹.

¹⁹ <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>.

Issuer

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NATIXIS

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France

Fiscal Agent, Principal Paying Agent, Paying Agent in France and Calculation Agent

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Auditors to the Issuer

Mazars

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