



**BNP PARIBAS**  
**PUBLIC SECTOR SCF**

**BNP Paribas Public Sector SCF**  
**(duly licensed French credit institution)**  
**€15,000,000,000**

**EURO MEDIUM TERM NOTE PROGRAMME**  
**FOR THE ISSUE OF OBLIGATIONS FONCIÈRES**

Under the Euro Medium Term Note Programme described in this base prospectus (the **Programme**), BNP Paribas Public Sector SCF (the **Issuer**), may from time to time issue *obligations foncières* (the **Notes**), benefiting from the statutory *privilège* created by article L.515-19 of the *Code monétaire et financier*, as more fully described herein.

This base prospectus (the **Base Prospectus**) replaces the base prospectus dated 14 February 2012 and shall be in force for a period of one year as of the date of its approval by the *Autorité des marchés financiers* (the **AMF**).

The aggregate nominal amount of all Notes outstanding under the Programme will not at any time exceed €15,000,000,000 (or its equivalent in other currencies at the date of issue of any Notes).

Application has been made for approval of this Base Prospectus to the AMF in France in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (**EEA**)) (the **Prospectus Directive**). Application may be made (i) to Euronext Paris for Notes issued under the Programme during a period of 12 months from the date of approval by the AMF of this Base Prospectus to be listed and admitted to trading on Euronext Paris and/or (ii) to the competent authority of any other member state of the EEA for Notes issued under the Programme to be listed and admitted to trading on a Regulated Market (as defined below) in such Member State. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC of 21 April 2004, appearing on the list of regulated markets issued by the European Commission (a **Regulated Market**).

However, Notes may be issued pursuant to the Programme which are not admitted to trading on any Regulated Market. The relevant final terms (the **Final Terms**) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading on any market and, if so, the relevant market.

Notes will be in such denominations as may be specified in the relevant Final Terms, save that the minimum denomination of each Note issued under the Programme will be €100,000 or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date.

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 of the *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, as specified in the relevant Final Terms, be (i) in bearer dematerialised form (*au porteur*) only, in which case they are inscribed 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 dematerialised form (*au nominatif*) only 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 dematerialised 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 dematerialised 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 in bearer form 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 40<sup>th</sup> 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-US beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche (as defined below) 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, the Fiscal Agent and the relevant Dealer(s) (as defined below).

On issue, Notes issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. (**S&P**) and/or AAA by Fitch Ratings Ltd. (**Fitch**) and, together with S&P, the **Rating Agencies**). Each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation. The credit rating of Notes will be specified in the relevant Final Terms. 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.

The Base Prospectus, the documents incorporated by reference therein and any supplement thereto will be available without charge from the registered office of the Issuer and the website of the Issuer (<http://invest.bnpparibas.com>) and the Base Prospectus and any supplement thereto will be available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).

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

ARRANGER AND DEALER  
**BNP PARIBAS**

**This Base Prospectus (together with all supplements thereto from time to time (each a Supplement and together the Supplements), constitutes a base prospectus for the purposes of article 5.4 of the Prospectus Directive and contains all relevant information concerning the Issuer which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, as well as the base terms and conditions of the Notes to be issued under the Programme.**

**This Base Prospectus (together with all Supplements thereto from time to time) may only be used for the purposes for which it has been published.**

**This Base Prospectus should be read and construed in conjunction with any Supplement that may be published from time to time and with all documents incorporated by reference and in relation to any Series (as defined herein) of Notes, should be read and construed with the relevant Final Terms.**

**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 Dealer(s) (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 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 since the date hereof or the date upon which this Base Prospectus has been most recently 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 offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealer(s) do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealer(s) which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including Belgium, France, Germany, Ireland, Italy, the Netherlands, Spain and the United Kingdom) Switzerland and Japan, see "*Subscription and Sale*".**

**The Notes have not been and will not be registered under the U.S. 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 may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (Regulation S). 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, U.S. persons as defined in the U.S. Internal Revenue Code of 1986. The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.**

**This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealer(s) to subscribe for, or purchase, any Notes below.**

**The Arranger and the Dealer(s) have not separately verified the information contained in this Base Prospectus. Neither the Arranger nor any of the Dealer(s) 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 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 Dealer(s) that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser 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 Dealer(s) undertakes to review the financial or general condition of the Issuer during the life of the arrangements contemplated by this Base**

**Prospectus nor to advise any investor or potential investor in the Notes of any information that may come to the attention of any of the Dealer(s) or the Arranger.**

**None of the Dealer(s) or the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes.**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as 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 terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. 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 "€" are to the lawful currency of the member states of the European Union that have adopted the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, references to "£" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "US Dollar" are to the lawful currency of the United States of America, references to "¥", "JPY" and "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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## INFORMATION INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously or simultaneously published and filed with the AMF:

- (1) the French version of the Issuer's semi-annual financial statements for the period ended 30 June 2012 included in the report of the Board of Directors on the semi-annual financial statements for the period ended 30 June 2012 (the **2012 Interim Financial Statements**);
- (2) the French version of the Issuer's annual financial statements for the year ended 31 December 2011 and the statutory auditors' report thereon included in the management report of the Board of Directors on the annual financial statements for the year ended 31 December 2011 (the **2011 Financial Statements**); and
- (3) the French version of the Issuer's annual financial statements for the year ended 31 December 2010 and the statutory auditors' report thereon included in the management report of the Board of Directors on the annual financial statements for the year ended 31 December 2010 (the **2010 Financial Statements**).

Such documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus save that any statement contained in this Base Prospectus or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of the documents incorporated by reference in this Base Prospectus may be obtained without charge from the registered office of the Issuer and on the website of the Issuer (<http://invest.bnpparibas.com>).

The cross-reference table below set out the relevant page references for the information incorporated herein by reference. Any information not listed in the cross-reference table but included in the documents incorporated by reference is given for information purposes only.

## INFORMATION INCORPORATED BY REFERENCE

(Annex IX of the European Regulation 809/2004/EC, as amended)

| <b>11. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses</b> | <i><b>2010 Financial Statements</b></i> | <i><b>2011 Financial Statements</b></i> | <i><b>2012 Interim Financial Statements</b></i> |
|--|---|---|---|
| <b>Historical Financial Statements</b>   |   |   |   |
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## RISK FACTORS

**Prospective purchasers or subscribers of Notes offered hereby should consider carefully, in light of their financial circumstances and investment objectives, all of the information in this Base Prospectus and, in particular, the risk factors below in making an investment decision.**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All 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.*

*In addition, factors which are material for the purpose of assessing the market risks associated with the Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Notes prior to investing in Notes issued under the Programme.*

*Words and expressions defined under "Terms and Conditions of the Notes" shall have the same meanings in this section.*

### RISK FACTORS RELATING TO THE ISSUER

#### Credit risk on assets

The Issuer's sole business activity is to grant or acquire exposures to, or guaranteed by, public sector entities (either directly or indirectly). Therefore, the Issuer is exposed, directly or indirectly, to the credit risk of such public sector entities. If the Issuer does not receive the full amount due by the public sector entities with respect to which it has acquired an exposure, this may affect the ability of the Issuer to make payments under the Notes. The Issuer may therefore be exposed to the occurrence of credit risk in relation to the public sector entities. None of the Issuer and the Dealers guarantees or warrants full and timely payment by the public sector entities of any sums payable to the Issuer.

However, in order to mitigate such credit risk, the assets of the Issuer will be selected in order to comply with certain legal eligibility criteria contained in the legal framework relating to French *sociétés de crédit foncier*.

The assets of the Issuer (the **Cover Pool Assets**) must comply with the legal eligibility criteria provided for in articles L.515-15 and L.515-16 of the *Code monétaire et financier*, pursuant to which they may comprise:

- (a) exposures to, or guaranteed by, public sector entities as defined in article L.515-15 of the *Code monétaire et financier*; and
- (b) any eligible securities or other Cover Pool Assets treated as similar (*assimilés à*) by the then applicable laws and regulations relating to *sociétés de crédit foncier*, to the exposures referred to in article L.515-15 of the *Code monétaire et financier*, such as without limitation, units or notes (other than the subordinated units or subordinated notes) issued by an *Organisme de Titrisation* or any other similar foreign entities complying with the provisions of article L.515-16 of the *Code monétaire et financier* (excluding any *Organisme de Titrisation* or other similar foreign entity which

has invested in assets falling within the category referred to article L.515-14 of the *Code monétaire et financier*).

The vast majority of these assets comes from the commercial financing activities of BNP Paribas group entities. When new assets are transferred or allocated to the Issuer's balance sheet, eligibility is verified at two levels (reputable law firm and Specific Controller of the Issuer who reports to the French *Autorité de contrôle prudentiel*) for both French and non-French assets.

Credit risk on assets is overseen by the Risk Direction of BNP Paribas, which analyses risks (and synthesises analyses done by foreign subsidiaries) applying group-wide methods. The Risk Direction produces an internal rating, a global recovery rate and sets a commitment ceiling and a maturity limit.

In addition, pursuant to articles L. 515-17 and R. 515-7 of the *Code monétaire et financier*, the Issuer may also hold replacement assets (*valeurs de remplacement*) defined as exposures on credit institutions or investment firms benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) (or when the remaining maturity of such exposures on credit institutions or investment firms is less than 100 days, the second highest level of credit assessment (*second meilleur échelon de qualité de crédit*)) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel* (ACP) pursuant to article L. 511-44 of the *Code monétaire et financier*.

The total amount of such replacement assets shall not exceed 15 per cent. of the nominal amount of the *obligations foncières* and other resources benefiting from the *privilège* as described in the section entitled "*Privilège relating to the Notes and certain other obligations of the Issuer*" (the **Privilège**).

The replacement assets will also comply with the rating agencies public methodologies and criteria which are commensurate to the then current rating of the Notes.

Pursuant to article 13 of standard 99-10 of the *Comité de la Réglementation Bancaire et Financière* (the **CRBF**), the Issuer must send to the ACP, no later than 10 June in each year, information relating to the quality of their assets. Such report is published within 45 days of a general meeting approving the financial statements of the year then ended. In particular, the characteristics, details of the distribution of loans, exposures and guarantees, the total of any unpaid amounts, the distribution of debts by amount and by category of debtors, the proportion of early repayments, and the level and sensitivity of the position of rates are required to be included as part of the latter report. In addition, pursuant to article L.515-17-2 of the *Code monétaire et financier*, the Issuer must publish every quarter a report containing the same information relating to the quality of its assets. Such report is available for viewing on <http://invest.bnpparibas.com/fr/pid2828/bnp-paribas-public-sector-scf.html>.

### **Credit risk on bank counterparties**

For the Issuer, bank counterparty risk, which is linked to the bankruptcy and/or default of its counterparties, is that of:

- (a) counterparties in hedging operations with which it has entered into International Swaps and Derivatives Association, Inc. (**ISDA**) master agreements that meet rating agency standards for *sociétés de crédit foncier*;
- (b) credit institutions administrating the Issuer's accounts; and
- (c) the context of replacement assets representing exposure on credit institutions;
- (d) credit institutions in charge of the recovery of the Cover Pool Assets on behalf of the Issuer (i.e. the Servicer under the Master Servicing Agreement).



The agreements to be entered into between the Issuer and the above bank counterparties will comply with the specific legal requirements applicable to *sociétés de crédit foncier* and with the rating agencies public methodologies and criteria which are commensurate to the then current rating of the Notes.

### **Market risks**

Market risks might come essentially from foreign exchange risks. The Issuer's risk management policy is to take no foreign exchange risks. Assets and liabilities originally in foreign currencies are swapped against euro when they are acquired (see "*Interest and currency risk*" below).

In addition, the Issuer can only enter into derivative instruments pursuant to a hedging strategy, involving either micro- or macro-hedges which may limit its ability to fully hedge market risks.

### **Interest and currency risks**

The objective of the Issuer is to neutralise interest rate risk as much as possible. The Issuer uses swaps to hedge general interest and currency risk, which will provide:

- (a) under macro swaps (the **Cover Pool Hedging Agreements**), a hedge for any interest or currency risks arising from the mismatches (i) between the currencies in which any Cover Pool Assets are denominated and euro and (ii) between the interest rate conditions applicable to such Cover Pool Assets and Euribor; and
- (b) under micro and macro swaps (the **Covered Bonds Hedging Agreements**), a hedge of any interest rate or currency risks arising from the mismatches (i) between euro and the currencies in which the Notes are denominated and (ii) between Euribor and the interest rate conditions applicable to the Notes.

The Cover Pool Hedging Agreements and the Covered Bonds Hedging Agreements will be entered into with hedging counterparties with sufficient credit ratings and satisfying the rating agencies' public methodologies to cover interest rate and/or currency risks which are commensurate to the then current rating of the Notes.

The replacement assets, like all the Issuer's assets, are managed so as not to incur any interest rate risks.

### **Liquidity risk**

The maturity and amortisation profile of the Cover Pool Assets will not match the repayment profile and maturities of the Notes, therefore creating a need for liquidity at the level of the Issuer.

However, a *société de crédit foncier* is required, pursuant to articles L.515-17-1 and R.515-7-1 of the *Code monétaire et financier*, to ensure, at all times, the coverage of its liquidity needs for a 180-day period, taking into account expected flows in principal and interests under its assets (including the Cover Pool of Assets) and net flows relating to forward financial instruments set forth in article L. 515-18 of the *Code monétaire et financier* (See the section entitled "*Main features of the legislation and regulations relating to sociétés de crédit foncier*").

Such liquidity needs must be covered by substitution assets (*valeurs de remplacement*), assets eligible as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, and refinancing agreements concluded with credit institutions benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the ACP pursuant to article L.511-44 of the *Code monétaire et financier* or which are guaranteed by other legal entities benefiting from such level of credit quality.

To satisfy the L.515-17-1 and R.515-7-1 of the *Code monétaire et financier* liquidity requirements and/or to address any liquidity risk, the Issuer has several means including:

- (a) *Pre-Maturity Rating Events and Cash Collateral*: On the date on which (i) the short-term unsecured, unsubordinated and unguaranteed debt obligation of BNP Paribas falls below A-1 by S&P or (ii) the short-term issuer default rating (**IDR**) of BNP Paribas falls below F1+ by Fitch or is placed on rating watch negative while rated F1+ by Fitch, (or, in each case, such other minimum ratings complying with the rating agencies' public methodologies and criteria in order to maintain the ratings of the Notes) (a **Pre-Maturity Rating Event**) and on a regular basis throughout the period starting from such date and ending on the date on which the Pre-Maturity Rating Event ceases to be continuing, BNP Paribas undertakes (x) to transfer certain amounts to the Issuer on such date by crediting the cash collateral account designated by the Issuer and (y) to maintain, on a rolling basis until such Pre-Maturity Rating Event has ceased to occur, a minimum reserve amount in such cash collateral account, as security for its payment obligations under the Master Servicing Agreement (the **Secured Liabilities**). Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the *Code monétaire et financier*.

Any sum remaining to the credit of such cash collateral account after satisfaction in full of the Secured Liabilities shall be promptly repaid to BNP Paribas.

- (b) *Subscription of own Notes*: Pursuant to article L.515-32-1 of the *Code monétaire et financier*, the Issuer as *société de crédit foncier* may subscribe to its own Notes within the limit of 10 per cent. of the outstanding principal amount of any liabilities of the Issuer benefiting from the *Privilège* on the date of their subscription, for the sole purpose of granting them as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, provided that the Issuer's liquidity needs cannot be funded otherwise.
- (c) *Collection Advance*: The Issuer will benefit from a liquidity provision undertaking from BNP Paribas, under a Master Servicing Agreement, to advance collections in an amount equal to the Final Redemption Amount or Instalment Amount to be paid by the Issuer on the upcoming Maturity Date or Instalment Date under the relevant Series of Notes, which cannot be funded by reason of the maturity of sums due under the Cover Pool Assets exceeding such Maturity Date or Instalment Date (the **Collection Advance**). All sums collected by BNP Paribas under the Cover Pool Assets (acting on behalf of the Issuer in accordance with the Master Servicing Agreement) following the making of a Collection Advance shall be applied by BNP Paribas to the repayment of such Collection Advance.

### **Commingling risk**

BNP Paribas has been appointed by the Issuer pursuant to the Master Servicing Agreement to carry out, on its behalf and in accordance with article L.515-22 of the *Code monétaire et financier*, the administration and recovery of the Cover Pool Assets transferred, from time to time, to the Issuer. In the event that insolvency proceedings are opened against BNP Paribas, a statutory stay of proceedings under French insolvency law will prevent the Issuer from having recourse against BNP Paribas for the repayment of collections under the Cover Pool Assets which are commingled with other BNP Paribas' funds.

To address such commingling risk, the Issuer will benefit from the following undertakings from BNP Paribas:

- (a) an undertaking to transfer to the Issuer collections on the business day following the date on which it has received such collections following the long-term unsecured, unsubordinated and unguaranteed debt obligation of BNP Paribas falling below BBB- by Fitch and BBB by S&P, or any other minimum ratings complying with the Rating Agencies' public methodologies and criteria

which are commensurate with the then current ratings of the Notes, by crediting the relevant general account of the issuer as designated by the Issuer; and

- (b) an undertaking to transfer to the Issuer certain amounts on the business day following the date on which BNP Paribas receives the collections]following (i) the short-term unsecured, unsubordinated and unguaranteed debt obligation of BNP Paribas falling below A-1 by S&P or (ii) the IDR of BNP Paribas falling below F1 (short-term) or A (long-term) by Fitch or being placed on rating watch negative while rated F1 (short-term) or A (long-term) by Fitch (or such other minimum ratings complying with the Rating Agencies' public methodologies and criteria which are commensurate with the then current ratings of the Notes) by crediting the cash collateral account as designated by the Issuer, as security for the Secured Liabilities. Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the *Code monétaire et financier*.

Any sum remaining to the credit of the cash collateral account referred to in paragraph (b) above after satisfaction in full of the Secured Liabilities shall be promptly repaid to BNP Paribas.

### **Set-off risk**

The terms of the Cover Pool Assets may not always contain an undertaking by the relevant obligor(s) to make payments thereunder without set-off or counterclaim, therefore creating a set-off risk and a corresponding need for liquidity at the level of the Issuer.

To address such set-off risk, the Issuer will benefit from an undertaking from BNP Paribas to transfer to the Issuer certain amounts upon (a) the short-term unsecured, unsubordinated and unguaranteed debt obligation of BNP Paribas falling below A-1 by S&P or (b) the IDR of BNP Paribas falling below F1 (short-term) or A (long-term) by Fitch or being placed on rating watch negative while rated F1 (short-term) or A (long-term) by Fitch (or such other minimum ratings complying with the Rating Agencies' public methodologies and criteria which are commensurate with the then current ratings of the Notes) by crediting the cash collateral account designated by the Issuer, as security for the Secured Liabilities. Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the *Code monétaire et financier*.

Any sum remaining to the credit of such cash collateral account after satisfaction in full of the Secured Liabilities shall be promptly repaid to BNP Paribas.

### **Compliance with the coverage ratio**

According to articles L.515-20 and R.515-7-2 of the *Code monétaire et financier*, the Issuer must maintain, at any time, a cover ratio of its liabilities benefiting from the *Privilège* by its assets (including the replacement assets) of at least 102 per cent. Calculation of this coverage ratio is set out in Regulation 99-10 of the CRBF and reporting to the ACP must be made in accordance with Regulation 2011-I-06 of the ACP.

The ratio's denominator is comprised of *obligations foncières* and other resources benefiting from the *Privilège* (article 8 of Regulation 99-10 of the CRBF and Regulation 2011-I-06 of the ACP).

The ratio's numerator is made up of all the assets, weighted to reflect their category (article 9 of Regulation 99-10 of the CRBF and Regulation 2011-I-06 of the ACP). In the case of the Issuer, since the loans are granted to public sector entities or guaranteed by such entities, they are accounted for at their historical cost (100 per cent. weighting).

Pursuant to Regulation 99-10 of the CRBF, the Issuer must constantly comply with the conditions of the above coverage ratio. The specific controller (as described in the section entitled "*Description of the Issuer*") has access to information that allows confirmation that each issue complies with the coverage ratio. This coverage ratio is published twice a year and checked on a quarterly basis by the Specific Controller.

As the Cover Pool Assets are limited to exposures to, or guaranteed by, public sector entities as defined in article L.515-15 of the *Code monétaire et financier*, the minimum legal coverage ratio which the Issuer must maintain in accordance with articles L.515-20 and R.515.7.2 of the *Code monétaire et financier* may decline in the event of a decrease in the value of those exposures, such as in the case of payment defaults by, or decline in creditworthiness of, the relevant public sector entities. There is no assurance that the Issuer will be able to acquire new Cover Pool Assets to ensure that the minimum legal coverage ratio will be maintained at all times.

The Specific Controller is legally responsible for notifying promptly the Issuer and the ACP of the occurrence of a breach of the minimum legal coverage ratio. A breach by the Issuer of its obligations under articles L.515-13 to L.515-33 of the *Code monétaire et financier*, including a breach of the minimum legal coverage ratio, may lead the ACP to request the management of the Issuer to remedy the situation, and ultimately could lead to the appointment by the ACP of substitute management of the Issuer, or a loss of the Issuer's status of *société de crédit foncier*. A breach of the minimum legal coverage ratio could also result in the Issuer being unable to issue further Notes or refinance existing Notes, adversely affecting its business, financial condition, cash flows and results of operations. **No Audit Committee**

Notwithstanding the ACP's recommendation in its Regulation 2001-01, the Issuer has elected not to appoint an Audit Committee.

## **RISK FACTORS RELATING TO THE NOTES**

### **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:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) 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 potential investors' 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 his overall investment portfolio.

## **Risks related to the structure of a particular issue of Notes**

Notes issued under the Programme will either be fungible with an existing Series or have different terms to an existing Series (in which case they will constitute a new Series). All Notes issued from time to time will rank *pari passu* with each other in all respects and will benefit equally from the *Privilège*.

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 of 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*

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin 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 (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate 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.

### *Variable rate Notes*

Notes with variable interest rates can be volatile investments. If they include structured features such as caps or floors, or any combination of those features or other similar features, their market values may be even more volatile than those for securities that do not include those features.

### *Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. 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 are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### *Fixed to Floating Rate Notes*

Fixed to Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The conversion (whether automatic or optional) will affect the secondary market and the market value of such Notes since it may lead to a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the Fixed to 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 at any time may be lower than the rates on other Notes. If a floating rate is converted to a fixed rate, the fixed rate may be lower than then prevailing rates on its 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.

### **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:

#### *Market value of the Notes*

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the yield rates and the time remaining to the maturity date.

The 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 may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

#### *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 (a) the Investor's Currency-equivalent yield on the Notes,

(b) the Investor's Currency-equivalent value of the principal payable on the Notes and (c) 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 credit 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 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).

#### **Legal risks related to Notes generally**

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

##### *Potential Conflicts of Interest*

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the 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 of the Notes 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.

## *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 innovative financial notes 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. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

## *Savings Directive*

On 3 June 2003, the European Union adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the **Savings Directive**). The Savings Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Savings Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) an individual resident in another Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

## *Withholding Taxes – No gross-up obligation*

If any law should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts. Therefore, the corresponding risk shall be borne by the Noteholders or, if applicable, the Receiptholders and the Couponholders.

## *French Insolvency Law*

The Noteholders, in respect of all Tranches in any Series, will 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**) if a preservation procedure (*procédure de sauvegarde*), an accelerated financial preservation 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 preservation plan (*projet de plan de sauvegarde*), draft accelerated financial preservation 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:

- (a) 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 receivables in the form of debt securities;
- (b) establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- (c) 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 attending, or represented at, such Assembly). No quorum is required to hold 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 will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances

#### *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 (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### *Foreign Account Tax Compliance Act withholding may affect payments on the Notes*

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and, potentially, a 30% withholding tax with respect to (a) certain payments from sources within the United States, (b) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (c) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer may be classified as a financial institution for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Prospective investors should refer to the section "*Taxation – Foreign Account Tax Compliance Act*".

## **SUPPLEMENT TO THE BASE PROSPECTUS**

In connection with Notes traded on a Regulated Market, if at any time the Issuer is required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 16 of the Prospectus Directive following the occurrence of a significant new factor, material mistake, inaccuracy or omission relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed and admitted to trading on Euronext Paris or on a Regulated Market of a member state of the European Economic Area, shall constitute a supplement to the Base Prospectus for the purpose of Article 16 of the Prospectus Directive.

The Issuer shall submit such supplement to the Base Prospectus to the AMF for approval and supply each Dealer, the AMF and Euronext Paris with such number of copies of such amendment or supplement as may reasonably be requested.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following general description is qualified in its entirety by the remainder of this Base Prospectus.*

**Issuer:** BNP Paribas Public Sector SCF, a *société anonyme* incorporated under French law duly licensed in France as a credit institution (*société financière – société de crédit foncier*).

**Arranger:** BNP Paribas.

**Dealer:** BNP Paribas.

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 for the continuous offer of Notes being *obligations foncières*.

**Fiscal Agent and Principal Paying Agent:** BNP Paribas Securities Services (affiliated Euroclear France under number 29106).

**Calculation Agent:** BNP Paribas Securities Services, unless the relevant Final Terms provide otherwise.

**Programme Limit:** Up to €15,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

**Method of Issue:** The Notes will be issued in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of 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 will be set out in the relevant final terms (the **Final Terms**).

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

**Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s) and set out in the Final Terms. Payments in respect of Notes may, subject to compliance with the aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

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| <b>Terms of the Notes:</b>                          | The specific terms of each Tranche (including, without limitations, 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.  |
| <b>Specified Denomination(s):</b>                   | <p>The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the relevant Final Terms, save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the date of issue) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.</p> <p>Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, 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.</p> <p>The Notes shall be issued in one denomination only.</p> |
| <b>Status of Notes – Legal Privilege:</b>           | The Notes will constitute direct, unconditional, and privileged obligations of the Issuer. The Notes are issued under articles L.515-13 to L.515-33 of the <i>Code monétaire et financier</i> . Holders of Notes benefit from the <i>privilège</i> (priority right of payment) over all the assets and revenues of the Issuer as set out under article L.515-19 of the <i>Code monétaire et financier</i> (for further description of the <i>privilège</i> , see " <i>Privilège relating to the Notes and certain other obligations of the Issuer</i> ").   |
| <b>Negative Pledge:</b>                             | None.   |
| <b>Events of Default (including Cross Default):</b> | None.   |
| <b>Redemption Amount:</b>                           | <p>The relevant Final Terms will specify the basis for calculating the redemption amounts payable.</p> <p>Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from the date of issue and 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 section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).</p>  |
| <b>Optional Redemption:</b>                         | 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.   |

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| <b>Redemption by Instalments:</b>           | The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.  |
| <b>Interest Periods and Interest Rates:</b> | 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 will be set out in the relevant Final Terms.   |
| <b>Fixed Rate Notes:</b>                    | Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.   |
| <b>Floating Rate Notes:</b>                 | <p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> <li>(a) 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, as published by the <i>Fédération Bancaire Française</i>; or</li> <li>(b) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or</li> <li>(c) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR, EONIA, LIBOR, CMS or TEC); or</li> <li>(d) on such other basis or benchmark as may be specified in the applicable Final Terms,</li> </ul> <p>in each case as adjusted for 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. All such information will be specified in the applicable Final Terms.</p> |
| <b>Zero Coupon Notes:</b>                   | Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.   |
| <b>Redenomination:</b>                      | Notes issued in the currency of any member state of the European Union 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 " <i>Terms and Conditions of the Notes – Redenomination</i> " below.   |
| <b>Consolidation:</b>                       | Notes of one Series may be consolidated with Notes of another Series as more fully provided in " <i>Terms and Conditions of the Notes – Further</i>   |

*Issues and Consolidation*".

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

Dematerialised Notes may, as specified in the relevant Final Terms, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered dematerialised form (*au nominatif pur*) or administered registered dematerialised form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Notes. See "*Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination*".

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 law.

**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(s).

**Initial Delivery of Dematerialised Notes:** No later than one Paris business day before the issue date of each Tranche of Dematerialised Notes, the *Lettre comptable* 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.

**Taxation:** 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.

If any law should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts.

Investors should carefully review the "*Taxation*" section of this Base

Prospectus.

**Listing and Admission to Trading:**

Application has been made to the AMF to approve this document as a base prospectus. Application has also been made for Notes issued under the Programme to be admitted to trading and to be listed on Euronext Paris.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer(s) in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

**Method of publication:**

This Base Prospectus, any supplement thereto, if any, and the Final Terms related to Notes admitted to trading on Euronext Paris will be published, if relevant, on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)), and copies may be obtained from BNP Paribas Public Sector SCF, 1 boulevard Haussmann 75009 Paris, France or through any other means in accordance with the terms of Article 14 of the Prospectus Directive. Each Final Terms will indicate where the Base Prospectus may be obtained. In addition, if the Notes are listed and admitted to trading on a Regulated Market other than Euronext Paris, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

**Rating:**

On issue, Notes issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. (**S&P**) and/or AAA by Fitch Ratings Ltd. (**Fitch**).

S&P and Fitch are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended). (the **CRA Regulation**). Each of S&P and Fitch is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation.

The credit rating of the Notes will be specified in the relevant Final Terms.

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

**Selling Restrictions:**

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*") including the following restrictions applicable at the date of this Base Prospectus.

The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended (the **Securities Act**).

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the **D Rules**) unless (a) 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 U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the **C Rules**) or (b) 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.

Dematerialised Notes do not require compliance with the TEFRA Rules.



## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as supplemented 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 obligations foncières (the **Notes**) are issued by BNP Paribas Public Sector SCF (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) 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 8 April 2013, as amended or supplemented from time to time (the **Agency Agreement**) between the Issuer, BNP Paribas Securities Services as fiscal agent and principal paying agent and the other agents named therein. The fiscal agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Fiscal Agent**, the **Paying Agents** (which expression shall include the Fiscal Agent) 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 and the holders of the receipts for the payment of instalments of principal (the **Receipts**) relating to Materialised Notes of which the principal is redeemable in instalments are respectively referred to below as the **Couponholders** and the **Receiptholders**.

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

### 1. Definitions

**EEA** means the European Economic Area.

**Noteholder** or, as the case may be, **holder of any Notes** 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 defined in Condition 2(a)(i) below) (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 Notes and the Coupons, Receipts or Talons relating to it.

**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 8, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of 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.

**Regulated Market** means a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council within the EEA.

## 2. 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 article L.211-3 and R.211-1 of the *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 *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 dematerialised form (*au porteur*) only, which will be inscribed in the books of Euroclear France (acting as central depositary) which shall credit the accounts of the Account Holders, or in registered dematerialised form (*au nominatif*) only and, in such latter case, at the option of the relevant holder in either administered registered dematerialised form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered dematerialised form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the **Registration Agent**).

For the purpose of these Conditions, **Account Holder** means any authorised financial intermediary institution entitled to hold 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. **Instalment Notes** are issued with one or more Receipts attached.

In accordance with article L.211-3 of the *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.

Materialised Notes and Dematerialised Notes may also be cleared through one or more clearing system(s) other than or in addition to Euroclear France, Euroclear and/or Clearstream Luxembourg, as may be specified in the relevant Final Terms.

The Notes may be **Fixed Rate Notes**, **Floating Rate Notes**, **Zero Coupon Notes** or a combination of any of the foregoing, depending on the Interest Basis and the type of redemption applying to the Notes.

(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 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 €100,000 (or its equivalent in any other currency at the issue date) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Notes having a maturity of less than one year will constitute deposits for the purposes of prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) unless they have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title**

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

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

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

(d) **Redenomination**

The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt 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 in the relevant Final Terms.

**3. Conversions and Exchanges of Notes**

(a) **Dematerialised Notes**

(i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted for Dematerialised Notes in registered dematerialised form, whether in fully

registered dematerialised form (*au nominatif pur*) or in administered registered dematerialised form (*au nominatif administré*).

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

**4. Status**

The Notes and, where applicable, any relative Coupons and Receipts are direct, unconditional, unsubordinated and, pursuant to the provisions of Condition 5, privileged obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (the **Privilège**) created by article L.515-19 of the *Code monétaire et financier* as described in Condition 5.

**5. Privilège**

- (a) The Notes benefit from the *Privilège* (priority right of payment) created by article L.515-19 of the *Code monétaire et financier* and the Noteholders shall benefit from all the rights set out in article L.515-19 of the *Code monétaire et financier*.
- (b) In accordance with article L.515-19 of the *Code monétaire et financier*, all sums payable to the Issuer in respect of loans, assimilated receivables, exposures or securities referred to in articles L.515-14 to L.515-17 of the *Code monétaire et financier* and the forward financial instruments referred to in article L.515-18 (in each case after any applicable netting), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of any sums due in respect of *obligations foncières* (including the Notes) issued by the Issuer and other resources raised by the Issuer pursuant to issue or subscription contracts referring to the *Privilège*.

It should be noted that, in addition to Notes and other resources raised by the Issuer pursuant to any agreement, document purporting to inform the public within the meaning of article L.412-1 of the *Code monétaire et financier* or any other equivalent document required in connection with the admission to trading on a Regulated Market located outside France referring to the *Privilège*, derivative transactions used for hedging are also benefiting from the *Privilège* under the conditions of article L.515-18 of the *Code monétaire et financier*.

- (c) Article L.515-19 of the *Code monétaire et financier* provides that, notwithstanding any legislative provisions to the contrary and in particular those contained in the *Code de Commerce* (relating to conciliation (*conciliation*), preservation (*sauvegarde*), accelerated financial preservation (*sauvegarde financière accélérée*) judicial reorganisation (*redressement judiciaire*) and judicial liquidation (*liquidation judiciaire*)), the amounts due regularly under *obligations foncières* (including the Notes) and other resources benefiting from the *Privilège*, are paid on their contractual

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

## 6. 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. Certain defined terms contained in the 2001 or 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française (FBF)* (together the **FBF Master Agreement**) and in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (**ISDA**), have either been used or reproduced in this Condition 6.

**Business Day** means:

- (i) in the case of Euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor thereto (the **TARGET2 System**) is operating (a **TARGET2 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 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 day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the **Calculation Period**):

- (i) if **Actual/365-FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, **Actual/365-FBF** shall mean the sum of (A) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (B) the fraction whose numerator is the actual number of days elapsed during the leap year and whose denominator is 366;
- (ii) if **Actual/365**, **Actual/Actual** 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);
- (iii) 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;

(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, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{1}{360} \times [[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 greater than 29, in which case D2 will be 30;

- (vii) if **30E/360** or **Eurobond Basis** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{1}{360} \times [[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30.

- (viii) if **30E/360 (ISDA)** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{1}{360} \times [[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (A) that day is the last day of February but not the Maturity Date or (B) such number would be 31, in which case D2 will be 30.

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

**FBF Definitions** means the definitions set out in the FBF Master Agreement or, as the case may be, in the FBF Technical Schedules to the FBF Master Agreement as published by the FBF in March 2007.

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

**Interest Amount** means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount as specified in the relevant Final Terms (a copy of which may be obtained at the registered office of the Issuer during usual business hours), 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, (a) the day falling two TARGET2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (b) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (c) 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 unless otherwise specified in the relevant Final Terms.

**ISDA Definitions** means the 2006 ISDA Definitions (a copy of which may be obtained at the registered office of the Issuer during usual business hours), as published by the International Swaps and Derivatives Association, Inc.

**Rate of Interest** means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

**Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case



selected by the Calculation Agent with the approval of the Issuer or as specified in the relevant Final Terms.

**Relevant Date** means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven (7) days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**Reference Rate** means the rate specified as such in the relevant Final Terms.

**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 or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

**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.

(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 except as otherwise provided in the relevant Final Terms.

If a Fixed Coupon Amount or a 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.

(c) **Interest on Floating Rate Notes**

(i) *Interest Payment Dates:* Each Floating 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 (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. 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) *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.

(iii) *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 and the provisions below relating to either FBF Determination or ISDA Determination or Screen Rate Determination shall apply, 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 Calculation 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 Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (1) the Floating Rate is as specified in the relevant Final Terms; and
- (2) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

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

(B) ISDA Determination for Floating Rate Notes

Where ISDA 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 as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), **ISDA Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the relevant Final Terms;
- (2) the Designated Maturity is a period specified in the relevant Final Terms; and

- (3) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this subparagraph (B), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity, Reset Date and Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(C) 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 will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the relevant Final Terms.

- (x) if the Relevant Screen Page is not available or, if sub-paragraph (C)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (C)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (y) if paragraph (x) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or

more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(d) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon and is repayable prior to the Maturity Date or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. 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 7(e)(i)).

(e) **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 6 to the Relevant Date.

(f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**

(i) 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 to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 6(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.

- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions, (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), 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(ies) of such currency.

(g) **Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment 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, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, 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. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the

obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) **Calculation Agent**

The Issuer shall use its best efforts to procure that there shall be at all times 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 in Condition 1). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions.

If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris 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. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 14.

**7. Redemption, Purchase and Options**

(a) **Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 7(c) or 7(d), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 7(b) below, its final Instalment Amount.

(b) **Redemption by Instalments**

Unless previously redeemed, purchased and cancelled as provided in this Condition 7 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 7(c) or 7(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(c) **Redemption at the option of the Issuer (Call Option) and Partial Redemption**

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 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 notice period as may be specified in the relevant Final Terms) redeem or exercise any other option in relation to all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption 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, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed, 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 or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with article R.213-16 of the *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 admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on Euronext Paris and the rules of such Stock Exchange so permit, in accordance with articles 221-3 and 221-4 of the *Règlement Général* of the *Autorité des marchés financiers* or (ii) on the website of the competent authority or in a leading newspaper with general circulation in the EEA Member State where the Regulated Market on which such Notes are admitted to trading is located, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

(d) **Redemption at the option of Noteholders (Put Option)**

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 notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option as may be set out in the relevant Final Terms (which must be exercised on an Option Exercise Date) 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 Receipts and 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.

(e) **Early Redemption**

(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 7(f) or 7(g), 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 (the **Amortised Nominal Amount**) 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, if none is shown in the relevant Final Terms, 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) (the **Amortisation Yield**) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(f) or 7(g) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable 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 6(d).

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*

The Early Redemption Amount payable in respect of any Note (other than Notes described in sub-paragraph (i) above), upon redemption of such Note pursuant to Condition 7(f) or 7(g) shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption.



(f) **No Redemption for Taxation Reasons**

If any law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, such Notes may not be redeemed early.

(g) **Illegality**

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, it would become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, 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 (including, where applicable, any Arrears of Interest).

(h) **Purchases**

The Issuer may at any time purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price in accordance with the applicable laws and regulations.

All Notes purchased by the Issuer may be resold or cancelled or held in accordance with article L. 213-1-A of the *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes.

(i) **Cancellation**

All Notes purchased by or on behalf of the Issuer may be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and 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 Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) **Subscription and use as collateral**

Notwithstanding this Condition 7, the Issuer may, pursuant to articles L.515-32-1 and R.515-13-1 of the *Code monétaire et financier*, subscribe its own Notes for the sole purpose of granting them as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, in instances where the Issuer is unable to meet its liquidity needs by other means available to it.

## **8. 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 dematerialised form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (ii) in the case of Dematerialised Notes in fully registered dematerialised form, to an account denominated in the relevant currency with a Bank (as defined in Condition 8(h)) 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, and, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively).

#### *(ii) Presentation and surrender of Definitive Materialised Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (i) 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)).

Payments of instalments of principal (if any) in respect of Definitive Materialised Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Materialised Note to which it appertains. Receipts presented without the Definitive Materialised Note to which they appertain do not constitute valid obligations of the Issuer.

Upon the date upon which any Definitive Materialised Note becomes due and payable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment will be made in respect thereof.

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 prior to its Maturity Date, 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 but without prejudice to Condition 9 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, the Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents 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) Paying Agents having specified offices in at least two major European cities (iv) in the case of 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 European Council Directive 2003/48/EC or any other EU Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to, such Directive (which may be any of the Paying Agents referred to in (iii) above), (v) in the case of Dematerialised Notes in fully registered dematerialised 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 Coupons that may have become void pursuant to Condition 10).

(g) **Business Days for Payment**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (the **Adjusted Payment Date**), 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) (i) (A) in the case of Dematerialised Notes, on which Euroclear France is open for business or (B) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (ii) in such jurisdictions as shall be specified as **Financial Centre(s)** in the relevant Final Terms and (iii) (A) 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 (B) in the case of a payment in Euro, which is a TARGET2 Business Day.

(h) **Bank**

For the purpose of this Condition 8, **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 TARGET2 System.

## 9. Taxation

### *French withholding tax*

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 any jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

### *No Additional Amounts*

If any law would require that payments of principal or interest in respect of any Note or any Receipt or Coupon relating thereto, be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will not be required to pay any additional amounts in respect of any such withholding or deduction.

## 10. Prescription

Claims against the Issuer for payment in respect of any amount due under the Notes, Receipts 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 the Noteholders, the following shall apply:

- (a) If the relevant Final Terms specifies “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 and the provisions of the French *Code de commerce* relating to the Masse shall apply subject to the below provisions of this Condition 11(a).

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. 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.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement 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 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting

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

- (b) If the relevant Final Terms specifies “Contractual Masse”, 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**) which will be subject to the below provisions of this Condition 11(b).

The Masse will be governed by the provisions of the *Code de commerce* with the exception of articles L.228-48, L.228-59, L.228-71, L.228-80, R.228-63, R.228-67, R.228-69 and R.228-83 of such code, subject to the following provisions:

(i) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the **Representative**) and in part through a general meeting of the holders of Notes (the **General Meeting**).

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

(ii) Representatives

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

- (A) the Issuer, the members of its board of directors (*conseil d'administration*), its executive board (*directoire*), its supervisory board (*conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, its employees and their ascendants, descendants and spouse; or
- (B) 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 (*conseil d'administration*), executive board (*directoire*) or supervisory board (*conseil de surveillance*), their statutory auditors, employees and their ascendants, descendants and spouse; or
- (C) companies holding directly 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (D) 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.

Unless otherwise specified in the Final Terms, the Representative appointed in respect of each Tranche of each Series of Notes will be BNP Paribas Securities Services (unless otherwise specified in the relevant Final Terms):

BNP Paribas Securities Services  
Global Corporate Trust  
Les Grands Moulins de Pantin

9, rue du Débarcadère  
93500 Pantin

represented by Mr. Sylvain Thomazo, domiciled at 20 rue Victor Bast, 78000 Versailles, France.

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.

The alternate Representative will be Mrs. Sandrine D'Haussy, domiciled at 69 avenue Gambetta, 94100 Saint Maur des fossés, France.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by the alternate Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate representative will be elected by the General Meeting.

The Issuer shall pay to the Representative an amount of Euro 1,000 per year so long as any of the Notes is outstanding. The alternate representative will only become entitled to the annual remuneration of Euro 1,000 if it exercises the duties of Representative on a permanent basis; such remuneration will accrue from the day on which it assumes such duties.

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 and except as provided by paragraph 1 of article L.515-31 of the *Code monétaire et financier*) have the power to take all acts of management necessary in order to defend the common interests of the holders of Notes.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative; except that, should preservation procedure (procédure de sauvegarde (including the new accelerated financial preservation proceedings (*sauvegarde financière accélérée*)), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) proceedings be commenced against the Issuer, the specific controller would file the proof of debt of all creditors (including the holders of the Notes) of the Issuer benefiting from the *Privilège*.

The Representative shall 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 (2) 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, hour, 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 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.

In accordance with article R.228-71 of the *Code de commerce*, the rights 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 on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at zero hours, Paris time.

(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 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 the liabilities (*charges*) 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, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant 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.

For the avoidance of doubt, for the purposes of this Condition 11, the term "outstanding" shall not include those Notes subscribed or purchased by the Issuer pursuant to, respectively, articles L.515-32-1 and L.213-1 A of the *Code monétaire et financier* that are held by it and not cancelled.

(viii) Single Masse

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

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

If, in the case of any Materialised Notes, a Definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and 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, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

**13. Further Issues and Consolidation**

(a) **Further Issues**

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or 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, Receiptholders 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 dematerialised 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), on the website of the competent authority or in a leading daily newspaper with general circulation in the EEA Member State where the Regulated Market in which such Notes are admitted to trading is located, which in the case of Euronext Paris is expected to be *Les Echos*, or (iii) so long as such Notes are admitted to trading on Euronext Paris, they are published in accordance with articles 221-3 and 221-4 of the *Règlement Général* of the *Autorité des marchés financiers* (the **AMF**).
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer dematerialised 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 (i) so long as such Notes are admitted to trading on any Regulated Market(s), on the website of the competent authority or 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 is located, which in the case of Euronext Paris is expected to be *Les Echos*, or (ii) so long as such Notes are admitted to trading on Euronext Paris, they are published in accordance with articles 221-3 and 221-4 of the *Règlement Général* of the AMF.
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer dematerialised 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 14(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 is located, which in the case of the Euronext Paris is expected to be *Les Echos*, and (ii) 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) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any 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. Limited recourse, non petition**

- (a) By subscribing to any Note, each Noteholder will be automatically deemed to have expressly and irrevocably waived:
  - (i) any contractual claim or action (*action en responsabilité contractuelle*) (of any nature, and on any ground whatsoever) it may have against the Issuer or against any of its assets and any

action for payment of any sum which is not expressed as being payable to it by the Issuer under the Notes and these Conditions;

- (ii) without prejudice to paragraph (b) below, any claim it may have (A) against the Issuer or against any of its assets for sums in excess of the amount of the assets of the Issuer which are available for making payment on such date subject to the rights of any creditor benefiting from the privilege set out in article L.515-19 of the *Code monétaire et financier* and (B) against any asset of the Issuer which are subject to the privilege set out in article L.515-19 of the *Code monétaire et financier*;
- (iii) any right to institute any legal proceedings, take other steps or institute other proceedings against the Issuer, the purpose of which is the appointment of a conciliator or an *ad hoc* agent, or the opening of receivership proceedings or insolvency or bankruptcy proceedings (*sauvegarde, redressement or liquidation judiciaires*) or any other similar proceedings in any relevant jurisdiction until the expiry of a period of 12 months after the redemption of all notes and liabilities of the Issuer benefiting from the privilege set out in article L.515-19 of the *Code monétaire et financier*.

- (b) The provisions of paragraph (a)(ii) above shall not prejudice the rights of the Noteholders with respect to the payment of any claim benefiting from the privilege set out in article L.515-19 of the *Code monétaire et financier*.

## **16. Governing Law and Jurisdiction**

### **(a) Governing Law**

The Notes, Receipts, 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, Receipts, Coupons or Talons may be brought before any competent court in Paris.

## **PRIVILEGE RELATING TO THE NOTES AND CERTAIN OTHER OBLIGATIONS OF THE ISSUER**

Pursuant to Article L.515-19 of the *Code monétaire et financier*, notwithstanding any legislative provisions to the contrary and in particular the provisions included in the *Code de commerce* relating to the prevention and conciliation of business difficulties and to the judicial administration and liquidation of companies,

- (a) the sums resulting from the loans, assimilated receivables, exposures and securities as referred to in articles L.515-14 to L.515-17 of the *Code monétaire et financier* and from the financial instruments used for hedging as referred to in article L.515-18 of the *Code monétaire et financier*, (in each case after any applicable netting), together with the claims in respect of deposits made by a *société de crédit foncier* (i.e. the issuer of *obligations foncières*) with credit institutions, are allocated in priority to the payment of any sums due in relation to the *obligations foncières*, to other resources benefiting from the *Privilège* as mentioned in article L.515-13 of the *Code monétaire et financier* and to derivative transaction used for hedging, under the condition of article L.515-18 of the *Code monétaire et financier*;
- (b) when a *société de crédit foncier* is subject to judicial preservation proceedings (*procédure de sauvegarde judiciaire*), to judicial rehabilitation or liquidation proceedings (*procédure de redressement ou liquidation judiciaires*) or to conciliation proceedings with its creditors (*procédure de conciliation*), the amounts due regularly from the operations referred to in article L.515-13 of the *Code monétaire et financier* are paid on their contractual due date, and in priority to all other debts, whether or not preferred or secured, including interest resulting from agreements whatever their duration. No other creditor of a *société de crédit foncier* may exercise any right over the assets and rights of such *société* until all creditors benefiting from the *Privilège* as defined in article L.515-19 of the *Code monétaire et financier* have been fully paid off; and
- (c) the judicial liquidation of a *société de crédit foncier* will not result in the acceleration of payment of *obligations foncières* and other debts benefiting from the *Privilège*.

## 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, which will be delivered on or prior to the issue date of the Tranche with a common depository (the **Common Depository**) for Euroclear Bank S.A./N.V. (**Euroclear**) and for 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 with 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):

- (a) 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 - Selling Restrictions*"), in whole, but not in part, for Definitive Materialised Notes, and
- (b) 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) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) as to non-U.S. beneficial ownership for Definitive Materialised Notes.

### 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 and Receipts in respect of interest or Instalment Amounts 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 40 days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated 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 40 days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 365 days (and that are not relying on the TEFRA C Rules), the Definitive Materialised Note shall bear the following legend:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES FEDERAL INCOME TAX LAWS INCLUDING THE LIMITATION PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for the financing or the refinancing of the assets of the Issuer which comply with the legal eligibility criteria provided for in articles L.515-15 and L.515-16 of the Code monétaire et financier (the Cover Pool Assets).

## MAIN FEATURES OF THE LEGISLATION AND REGULATIONS RELATING TO *SOCIÉTÉS DE CRÉDIT FONCIER*

### Entities entitled to issue *Obligations Foncières*

The legal and regulatory regime applicable to *sociétés de crédit foncier* (SCF) results from the following provisions:

- articles L.515-13 to L.515-33 of the *Code monétaire et financier* (which is amended from time to time, lately by the *Loi de Régulation bancaire et financière* No. 2010-1249 dated 22 October 2010);
- articles R.515-2 to R.515-14, D.515-10 to D.515-11, and R.515-12 to R.515-14 of the *Code monétaire et financier*;
- regulation no. 99-10 dated 9 July 1999 issued by the Banking and Financial Regulatory Committee (*Comité de la Réglementation Bancaire et Financière*, **CRBF**) as amended from time to time, lately by *Arrêté* of 23 February 2011 (the **CRBF Regulation**);
- instruction no. 2011-I-06 on the coverage ratio of the *sociétés de crédit foncier and sociétés de financement de l'habitat*;
- instruction no. 2012-I-03 amending the annex of instruction no. 2011-I-06 on the coverage ratio of the *sociétés de crédit foncier and sociétés de financement de l'habitat*; and
- instruction no. 2011-I-07 on the publication by *sociétés de crédit foncier and sociétés de financement de l'habitat* of information about the quality of its assets.

Pursuant to article L.515-13 of the *Code monétaire et financier*, SCFs may grant or acquire either secured loans or exposures to public entities or other eligible securities and issue *obligations foncières* (or incur other forms of borrowings) in order to finance these assets. However, article L.515-13 of the *Code monétaire et financier*, allows SCFs to issue ordinary bonds or raise funds which do not benefit from the *privilège* (the **Privilège**) as described below.

### Eligible assets

The eligible assets of an SCF comprise, *inter alia*:

- (a) secured loans which include loans which are secured by a first-ranking mortgage or other real estate security interests that are equivalent to a first-ranking mortgage or loans that are guaranteed by a credit institution or an insurance company that does not belong to the same group as the relevant SCF. The property must be located in France or in any other member state of the EC or European Economic Area (EEA) or in a State benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the ACP;
- (b) exposures to public entities such as the central administrative bodies, central banks, public institutions, territorial authorities or groups thereof, of a state which is a member of the European Community, the EEA, the United States, Switzerland, Japan, Canada, Australia or New Zealand (article L.515-15 of the *Code monétaire et financier*) or other public entities referred to in article L.515-15 of the *Code monétaire et financier*;
- (c) units or notes (other than subordinated units or subordinated notes) issued by *Organismes de Titrisation*, which are French securitisation vehicles, or other similar vehicles governed by the laws of a member state of the European Community or EEA, the assets of which shall comprise at least



90 per cent. of secured loans or exposures to public entities or other receivables benefiting from the same level of guarantees; and

- (d) promissory note (*billets à ordre*) governed by article L.313-42 et seq. of the *Code monétaire et financier*, under the conditions set out in article L.515-16-1 of the *Code monétaire et financier*.

SCFs may not make any other investments, except investments in securities which are sufficiently secure and liquid to be held as so-called replacement values, as defined in article R.515-7 of the *Code monétaire et financier*.

### **Over-Collateralisation**

An SCF must at all times maintain an over-collateralisation ratio between its assets and its liabilities benefiting from the *Privilège*.

Pursuant to articles L.515-20 and R.515-7-2 of the *Code monétaire et financier*, an SCF must at all times maintain a ratio of at least 102 per cent. between its assets and the total amount of its liabilities benefiting from the *Privilège*.

An SCF must appoint a specific controller (*contrôleur spécifique*) with the approval of the ACP whose task is to ensure that the required over-collateralisation ratio is at all times complied with. In particular, the specific controller must certify that the over-collateralisation ratio is satisfied in connection with (i) the SCF's quarterly programme of issues benefiting from the *Privilège* and (ii) any specific issue also benefiting from the *Privilège* which amount is greater than Euro 500 million. The specific controller must verify the quality of the assets, the process of yearly revaluation and the quality of the asset liability management.

### **Liquidity coverage**

Pursuant to articles L.515-17-1 and R.515-7-1 of the *Code monétaire et financier*, a SCF must ensure, at any time, adequate coverage of its liquidity needs for a 180-day period, taking into account expected flows in principal and interests under its assets and net flows relating to forward financial instruments set forth in article L. 515-18 of the *Code monétaire et financier*. Liquidity needs must be covered by substitution assets (*valeurs de remplacement*), assets eligible as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, and refinancing agreements concluded with credit institutions benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the ACP pursuant to article L.511-44 of the *Code monétaire et financier* or which are guaranteed by other legal entities benefiting from such level of credit quality.

### **Subscription of its own obligations foncières by a société de crédit foncier**

Article L.515-32-1 of the *Code monétaire et financier* provides that an SCF may subscribe its own *obligations foncières* for the sole purpose of allocating them to the guarantee of credit operations granted by the *Banque de France* in instances where the SCF is unable to cover its cash requirements by other means available to it. The *obligations foncières* thus subscribed must satisfy the following conditions:

- they may represent a maximum of 10 per cent. of the total outstanding resources benefiting from the *Privilège* at the acquisition date;
- they are deprived of the rights granted by articles L.228-46 to L.228-89 of the *Code de commerce* while held by the *société de crédit foncier*;
- they must be allocated as a guarantee to the *Banque de France*; in the absence of this allocation, they must be cancelled within 8 days; and

- they cannot be subscribed by third parties.

The specific controller must certify that these conditions are fulfilled, and issues a report of confirmation to the ACP.

### ***Privilège***

Certain liabilities of the SCF (including *obligations foncières*) and those resulting from derivative transactions relating to the hedging of *obligations foncières*) benefit from the legal *Privilège* set out under article L.515-19 of the *Code monétaire et financier* to the extent that the legal documentation applicable thereto refers to such *Privilège*.

For a more detailed description of the *Privilège*, see "Privilège relating to the Notes and certain other obligations of the Issuer".

### **Insolvency remoteness**

Article L.515-27 of the *Code monétaire et financier* precludes the extension of insolvency proceedings in respect of the SCF's parent company to the SCF.

The SCF law provides for a regime which derogates in many ways from the French legal provisions relating to insolvency proceedings. In particular, in the event of preservation procedure (*procédure de sauvegarde*), accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) of an SCF, all claims benefiting from the *Privilège*, including interest thereon, must be paid on their due dates and in preference to all other claims, whether or not secured or statutorily preferred and, until payment in full of all such preferred claims, no other creditors may take any action against the assets of the SCF.

Certain nullity of transactions entered into during the hardening period are not applicable for transactions or acts entered into by SCF provided that such transactions and acts are made in accordance with their exclusive legal purpose. Any preservation procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) of an SCF in respect of the shareholder of an SCF cannot be extended to the SCF. The opening of any such procedure in respect of the servicer does not prevent the termination of the servicing agreement.

## DESCRIPTION OF THE ISSUER

### **Incorporation, duration and registered office**

The Issuer is a credit institution (*établissement de crédit*), licensed as a financial company (*société financière*) with the status of *société de crédit foncier*, incorporated under French law on 19 December 2000 for a period of ninety-nine (99) years as a *société anonyme à conseil d'administration*. The Issuer is registered under the name of BNP Paribas Public Sector SCF in the Trade and Companies Registry (*Registre du Commerce et des Sociétés*) of Paris under number 433 932 811 RCS Paris. The Issuer's former name was, since the date of its incorporation, Bergère Participation 4 and was changed to BNP Paribas Public Sector SCF pursuant to the shareholders general meeting dated 17 November 2008. The Issuer's registered office is at 1, boulevard Haussmann, 75009 Paris, France, its telephone number: +33 1 40 14 73 86. On 30 January 2009, the Issuer was authorised to act as a *société de crédit foncier* by the Credit Institutions and Investment Services Companies Committee (*Comité des établissements de crédit et des entreprises d'investissement* (the **CECEI**) now replaced by the *Autorité de contrôle prudentiel* (the **ACP**)).

The Issuer is governed, inter alia, by the provisions of article L.210-1 et seq. of the *Code de commerce* applicable to commercial companies, articles L.511-1 et seq. of the *Code monétaire et financier* applicable to credit institutions and articles L.515-13 et seq. of the *Code monétaire et financier* applicable to *sociétés de crédit foncier* (see the section entitled "*Main features of the legislation and regulations relating to sociétés de crédit foncier*").

The Issuer is a member of the BNP Paribas group.

### **Share capital**

The Issuer's share capital as at 31 December 2011 amounted to €24,040,000 divided into 2,404,000 fully paid-up ordinary shares of €10. At the date of the Base Prospectus, 99.99 per cent. of this share capital is owned by BNP Paribas and the remainder by BNP Paribas' subsidiaries.

There is no authorised and unissued share capital. There are no securities which grant rights to shares in the capital of the Issuer. All shares have equal voting rights.

On 16 January 2009, BNP Paribas issued a statement of financial support for its subsidiary BNP Paribas Public Sector SCF. The text of the statement of financial support is translated (for information purposes only) as follows:

*"Paris, 16 January 2009*

*Within the scope of its financing policies, BNP Paribas has created a société de crédit foncier (BNP Paribas Public Sector SCF), governed by legal and regulatory provisions of the Code monétaire et financier (articles L.515-13 and seq.).*

*BNP Paribas will hold more than 95% of the capital of BNP Paribas Public Sector SCF on a long term basis.*

*BNP Paribas will ensure that BNP Paribas Public Sector SCF develops its activity in compliance with the above-mentioned legal and regulatory activity requirements and BNP Paribas has undertaken to provide it with its support so as to ensure its global solvency and liquidity to meet its obligations.*

*BNP Paribas*

*Mr. Georges Chodron de Courcel, Deputy Chief Executive Officer"*

Original text in French:

"Paris, le 16 janvier 2009

*Dans le cadre de sa politique de refinancement, BNP Paribas a créé une société de crédit foncier (BNP Paribas Public Sector SCF) soumise aux dispositions législatives et réglementaires prévues par le Code monétaire et financier (L.515-13 et suivants).*

*BNP Paribas détiendra durablement plus de 95% du capital de BNP Paribas Public Sector SCF.*

*BNP Paribas veillera à ce que BNP Paribas Public Sector SCF développe son activité dans les conditions d'activité législatives et réglementaires précitées et BNP Paribas s'est engagée à lui apporter son soutien assurant sa solvabilité et sa liquidité globales pour faire face à ses obligations.*

*BNP Paribas*

*M. Georges Chodron de Courcel, Directeur Général Délégué"*

### **Issuer's corporate purpose**

In accordance with article L.515-13 of the *Code monétaire et financier* which defines the exclusive purpose of the *sociétés de crédit foncier* and with Article 2 of its by-laws, the Issuer's exclusive purpose both in France and abroad is:

- (a) concerning its assets:
  - (i) to grant or acquire secured loans,
  - (ii) to grant or acquire exposure to public sector entities,
  - (iii) to acquire or purchase and hold units and debt instruments of securitisation organisms (*organismes de titrisation*) or units and debt instruments issued by similar entities,
  - (iv) to acquire or purchase and hold securities, instruments and deposits sufficiently secure and liquid, and
  - (v) to acquire and hold any movable and immovable property which is necessary for the accomplishment of its corporate purpose or which derives from the recovery of its debts,

to the extent that, in each case, such loans, exposure, units, instruments, or property are admitted as assets of a *société de crédit foncier* in accordance with articles L.515-3 et seq. and R.515-2 et seq. of the *Code monétaire et financier* (or any laws or regulations supplementing or replacing such provisions and applicable to *sociétés de crédit foncier*) and more generally hold any assets that can be held by a *société de crédit foncier* in accordance with those provisions;

- (b) concerning its liabilities, use all the resources to which the *société de crédit foncier* is entitled in accordance under articles L.515-13 et seq. and R.515-2 et seq. of the *Code monétaire et financier* (or any laws or regulations supplementing or replacing such provisions and applicable to *sociétés de crédit foncier*), which includes the issuance of *obligations foncières* benefiting from the privilege (*privilège*) mentioned in article L.515-19 of the *Code monétaire et financier*; and
- (c) in the context of achieving its corporate purpose, conduct all financial and banking transactions and conclude the necessary contracts, participate in any interbank settlement system, in any settlement-delivery system for financial instruments and all operations within the framework of the monetary

policy of the European Central Bank and more generally, all operations related to its business or contributing to achieve its corporate purpose, when such operations comply with the purpose of the *sociétés de crédit foncier* under articles L.515-13 et seq. and R.515-2 et seq. of the *Code monétaire et financier* (or any laws or regulations supplementing or replacing such provisions and applicable to *sociétés de crédit foncier*).

Notwithstanding the generality of the Issuer's corporate purpose, BNP Paribas Public Sector SCF has willingly agreed to restrict its activities only to granting or acquiring exposures to public sector entities as defined in articles L.515-15 to L.515-16 of the *Code monétaire et financier*. BNP Paribas Public Sector SCF has committed itself towards the ACP to abide to such restriction and, therefore, is not allowed and does not intend to finance real estate. For a more detailed description of the Issuer's business activities, see "*Description of the Issuer – Business overview*" below.

### **Business overview**

The establishment of the Issuer takes place as part of the BNP Paribas refinancing and is intended to lower the overall cost of funding for the BNP Paribas group by mobilising public exposures only at a competitive cost.

The assets of the Issuer will therefore comprise exposures to, or guaranteed by, public sector entities as defined in article L.515-15 of the *Code monétaire et financier*, and any eligible securities or other assets treated as similar (*assimilés à*) by the then applicable laws and regulations relating to *sociétés de crédit foncier*, to the exposures referred to in article L.515-15 of the *Code monétaire et financier*, such as without limitation, units or notes (other than the subordinated units or subordinated notes) issued by an *Organisme de Titrisation* or any other similar foreign entities complying with the provisions of article L.515-16 of the *Code monétaire et financier*, and for the purpose of complying with the liquidity coverage requirements set forth in articles L.515-17-1 and R.515-7-1 of the *Code monétaire et financier*, substitution assets (*valeurs de remplacement*) within the meaning of articles L.515-17 of the *Code monétaire et financier* and assets eligible as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, and refinancing agreements concluded with credit institutions benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the ACP pursuant to article L.511-44 of the *Code monétaire et financier* or which are guaranteed by other legal entities benefiting from such level of credit quality.

The vast majority of these assets comes from the commercial financing activities of BNP Paribas.

When new assets are transferred or allocated to the Issuer's balance sheet, eligibility is verified (including by the Specific Controller) for both French and non-French assets.

Such assets will be financed by the Issuer with shareholders' equity and two categories of debt:

- debt benefiting from the *Privilège* described in the section entitled "*Privilege relating to the Notes and certain other obligations of the Issuer*", which includes *obligations foncières* or other resources, expressly providing in the relevant related agreement, that they benefit from the *Privilège*; these other resources benefiting from the *Privilège* includes registered covered bonds governed by German law, which are designed for German institutional investors and subject to private placement; and
- debt not benefiting from the *Privilège* which are therefore subordinated to any debt benefiting from the *Privilège*; such debt will include subordinated shareholder loans provided by BNP Paribas to the Issuer.

The *obligations foncières* are expected, on issue, to be rated AAA by Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc., AAA by Fitch Ratings and to be listed on Euronext Paris.

By offering the market AAA/Aaa rated *obligations foncières*, which are a reflection, among other factors, of the intrinsic quality of the assets of the Issuer, the Issuer aims to increase the competitiveness of BNP Paribas. By providing the market with an additional counterparty (in addition to BNP Paribas), the Issuer should increase the BNP Paribas group's investor base.

Pursuant to articles L.515-20 and R.515-7-2 of the *Code monétaire et financier*, the total amount of the assets of the Issuer (including substitution assets) must cover the amount of the liabilities benefiting from the *Privilège* described in the section entitled "*Privilege relating to the Notes and certain other obligations of the Issuer*" up to at least 102 per cent., as further described in the section entitled "*Main Features of the Legislation and Regulations relating to Sociétés de Crédit Foncier*".

### Subsidiaries

According to article L.515-13 of the *Code monétaire et financier*, the Issuer, as a *société de crédit foncier*, is not allowed to hold shares in other companies.

### Management of the Issuer

The Issuer is administrated by a board of directors (*Conseil d'administration*).

The Issuer's board of directors, which at the date of this Base Prospectus comprises eight members, including BNP Paribas, has full powers to act in all circumstances on behalf of the Issuer within the limits set by its internal rules and the by-laws (*Statuts*) of the Issuer and subject to the powers expressly conferred by the *Code de commerce* on shareholders in general meetings.

The Chairman of the Board, who is also Head of Group Asset and Liability Management Department of BNP Paribas, organises and directs the work of the board of directors, of which he shall give an account to the shareholders' meeting, ensures that the governing bodies of the Issuer operate properly, and that the directors are able to perform their duties.

The management of the Issuer consists of the Chairman of the Board as Chief Executive Officer and one Deputy Chief Executive Officer to assist him. Both of them are vested with the broadest powers to act in all circumstances on behalf of the Issuer within the limits of the corporate purpose, and subject to the powers expressly attributed by law to shareholders' meeting and the special powers of the board of directors. They represent the Issuer in its relationships with third parties.

Names, business address and functions of the members of the board of directors and principal activities performed by them outside the Issuer are as follows:

| Names             | Business Address                    | Function  | Principal activities performed outside the Issuer   |
|-------------------|-------------------------------------|---|---|
| Jean-Louis GODARD | 3, rue d'Antin, 75002 Paris, France | Chairman of the Board and Chief Executive Officer | Head of Group Asset and Liability Management department of BNP Paribas.                         |
| Valérie BRUNERIE  | 3, rue d'Antin, 75002 Paris, France | Deputy Chief Executive Officer                    | Head of Funding and Securitisation team within the Asset and Liability Management department of |

| Names  | Business Address                                      | Function | Principal activities performed outside the Issuer   |
|--|---|----------|---|
|  |   |          | BNP Paribas CIB.  |
| Florence FAVIER                                  | 37, place du Marché Saint Honoré, 75001 Paris, France | Director | Senior Project Manager within the Strategy and Business Development – Export Finance department of BNP Paribas CIB.                                 |
| Tarak BORCHANI                                   | 3, rue d'Antin, 75002 Paris, France                   | Director | Member of the Funding – Mid and Long Term and Securitisation team within the Asset and Liability Management department of BNP Paribas CIB.          |
| Laurent CHOURAKI                                 | 3, rue d'Antin, 75002 Paris, France                   | Director | Deputy Head of CIB and Head of CIB Functions.   |
| Bertrand D'HEUCQUEVILLE                          | 16, place de Hanovre, 75001 Paris, France             | Director | Head of Aviation Finance EMEA within the Aviation Finance – Asset Finance department of BNP Paribas CIB.  |
| BNP Paribas represented by:<br>Clément REBERIOUX | 16, boulevard des Italiens, 75009 Paris, France       | Director | Member of the Funding and Securitisation team within the Asset and Liability Management department of BNP Paribas CIB (loan collateral management). |
| Jean-Gil SABY                                    | 1-3, rue Louis Le Grand, 75002 Paris, France          | Director | Head of Group Development and Finance.  |
| Alexis LATOUR                                    | 3, rue Taitbout, 75009 Paris, France                  | Director | Head of Funding and Securitisation team within the CIB Legal Paris department of BNP Paribas.   |

Véronique FLOXOLI's resignation from, and Tarak BORCHANI and Alexis LATOUR's appointment to the board of director of the Issuer were enacted during the meeting of the board on 27 September 2011.

The Issuer identified no potential conflicts of interests between the duties to it by the members of the board of directors and their private interests.

The internal control of the Issuer is performed by the "Internal Audit" team of CIB Paris, which reports to the General Inspection. The Issuer will be audited in accordance with the principles, rules and standards applicable to the BNP Paribas' group and more specifically to the activities/entities CIB.

Additionally, under Regulation no. 2001-01 of the CECEI (now replaced by the ACP), the board of directors of the Issuer may set up an Audit Committee. At the date of the Base Prospectus no Audit Committee has been constituted by the Issuer.

### **Staff**

The Issuer has no employees. Its technical administration has been subcontracted to its parent, BNP Paribas, which acts in accordance with the instructions of the Issuer's board of directors.

### **Compliance with the corporate governance regulations**

The Issuer complies with the corporate governance regulations applicable to French companies.

### **Membership of professional organisation**

The Issuer is a member of the *Association Française des Sociétés Financières*, 24, avenue de la Grande Armée, 75584 Paris Cedex 17.

### **Independent Auditors**

The Issuer has appointed two Statutory Auditors (*Commissaires aux comptes*) and two Deputy Statutory Auditors (*Commissaires aux comptes suppléants*) in compliance with applicable laws and regulations. The Issuer's statutory auditors are Deloitte & Associés, appointed on 12 September 2012 and PricewaterhouseCoopers Audit, appointed on 17 November 2008.

Furthermore, the Issuer has appointed, in accordance with articles L.515-30 to L.515-31 of the *Code monétaire et financier* a Specific Controller (*Contrôleur spécifique*), and a substitute Specific Controller (*Contrôleur spécifique suppléant*), who are selected from the official list of auditors and are appointed by the board of directors of the Issuer with the approval of the ACP.

The Specific Controller ensures that the Issuer complies with the *Code monétaire et financier* (in particular, verifying the quality and the eligibility of the assets and the cover ratios). He also monitors the balance between the Issuer's assets and liabilities in terms of rates and maturity (cash flow adequacy) and notifies the board of directors of the Issuer and the ACP if it considers such balance to be unsatisfactory. The Specific Controller attends all shareholders' meetings and, on its request, may be heard by the board of directors in accordance with article L.515-30 of the *Code monétaire et financier*.

The current Specific Controller is Fides Audit appointed on 17 November 2008.

### **Recent Developments**

None.



## RELATIONSHIP BETWEEN BNP PARIBAS PUBLIC SECTOR SCF AND BNP PARIBAS

BNP Paribas Public Sector SCF entered into the following contracts:

- (a) a servicing contract, pursuant to which BNP Paribas shall carry out, in accordance with article L.515-22 of the *Code monétaire et financier*, the administration and recovery of the receivables of BNP Paribas Public Sector SCF (in particular those receivables which would be purchased by BNP Paribas Public Sector SCF from subsidiaries of BNP Paribas) (the **Master Servicing Agreement**); and
- (b) an outsourcing and assistance contract, pursuant to which (i) BNP Paribas shall fulfil regulatory obligations of permanent supervision, periodic supervision and compliance supervision on behalf of BNP Paribas Public Sector SCF and (ii) BNP Paribas shall provide BNP Paribas Public Sector SCF with certain services required by the operations of BNP Paribas Public Sector SCF, in particular for financial (financial management) and legal purposes.

## RECENT DEVELOPMENTS

The following recent press release has been published by the Issuer:



### **Request for withdrawal of Moody's Investors Service Limited rating of the BNP Paribas Home Loan SFH and BNP Paribas Public Sector SCF Covered Bond Programmes**

As part of its global “Simple & Efficient” programme to improve operating efficiency, BNP Paribas concluded that two ratings (from Standard & Poor's Rating Services and Fitch Ratings) are sufficient for its SFH and SCF programmes.

Hence, BNP Paribas Home Loan SFH and BNP Paribas Public Sector SCF have requested Moody's Investors Service Limited to withdraw all Moody's ratings on the covered bonds outstanding under the respective covered bond programmes with immediate effect.

#### **About BNP ParibaAbout Paribas**

BNP Paribas ([www.bnpparibas.com](http://www.bnpparibas.com)) has a presence in nearly 80 countries with 190,000 employees, including 145,000 in Europe. It ranks highly in its three core activities: Retail Banking, Investment Solutions and Corporate & Investment Banking. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in consumer lending. BNP Paribas is rolling out its integrated retail banking model across Mediterranean basin countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Investment Banking and Investment Solutions activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas and solid and fast-growing businesses in Asia-Pacific.

## **FORM OF FINAL TERMS**

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes to be issued under the Programme (NB. Minimum denomination of €100,000 (or its equivalent in any other currency)).*

**Final Terms dated [date]**

[Logo if document is printed]

**BNP PARIBAS PUBLIC SECTOR SCF  
(Issuer)**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €15,000,000,000 Euro Medium Term Note Programme

Issue Price: [ ] per cent.

[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 Conditions set forth in the Base Prospectus dated 8 April 2013 which received visa no. 13-142 from the *Autorité des marchés financiers* [and any supplement thereto] which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes of the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (and amendments thereto, including the Directive 2010/73/EU to the extent implemented in the relevant Member State) and includes any relevant implementing measure in the relevant Member State (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. 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. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the *Autorité des marchés financiers* (www.amf-france.org) during a period of 12 months from the date of approval of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent[(s)] where copies may be obtained.

*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 Conditions (the **Conditions**), set forth in the Base Prospectus dated [original date] [and the supplement(s) to it dated [●]], which are incorporated by reference in the Base Prospectus dated [●] 2013. 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 the Base Prospectus dated 8 April 2013 which received visa no. 13-142 from the *Autorité des marchés financiers* (AMF), [and the supplement(s) to it dated [●] which received visa no. [●] from the AMF], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive] (the **Base Prospectus**). Full information on the Issuer, the Notes and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Conditions and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the *Autorité des marchés financiers* (www.amf-france.org) during a period of 12 months from the date of approval of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained.

*[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 (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted. Italics denote guidance for completing the Final Terms.)]*

- |    |                                   |  |
|----|-----------------------------------|--|
| 1. | Issuer:                           | BNP Paribas Public Sector SCF  |
| 2. | (a) Series Number:                | [ ]  |
|    | (b) Tranche Number:               | [ ]<br><i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| 3. | Specified Currency or Currencies: | [ ]  |

4. Aggregate Nominal Amount of Notes: [ ]
- (a) Series: [ ]
- (b) Tranche: [ ]
5. Issue Price: [ ] per cent of the Aggregate Nominal Amount  
[plus accrued interest from *[insert date]* (if applicable)]
6. Specified Denomination(s): [ ]
7. (a) Issue Date: [ ]
- (b) Interest Commencement Date: [*Specify/Issue Date/Not applicable*]
8. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis/Rate of Interest: [[ ] per cent Fixed Rate]  
[LIBOR/EURIBOR/*specify reference rate*]  
[+/- [ ] per cent Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
10. Redemption/Payment Basis<sup>1</sup>: [Redemption at par]  
[Instalment]  
(further particulars specified below)
11. Change of Interest or Redemption/Payment Basis: [*the date where any fixed to floating rate change occurs or cross refer to paragraphs 15 and 16 below*]/[Not applicable]]
12. Put/Call Option: [Noteholder Put]  
[Issuer Call]  
[other option: (*further particulars specified below*)]  
  
[Not applicable]
13. (a) Status of the Notes: *Obligations Foncières*
- (b) Date of corporate authorisations for issuance of Notes obtained: Decision of the board of directors (*Conseil d'administration*) dated [ ]
14. Method of distribution: [Syndicated/Non-syndicated]

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<sup>1</sup> If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more.

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Notes Provisions: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day]/not adjusted]
- (c) Fixed Coupon Amount(s): [ ] per [ ] in Specified Denomination
- (d) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]/[Not applicable]*
- (e) Day Count Fraction: [30/360 / Actual/Actual (ICMA) / ISDA / other]
- (f) Determination Dates: [[ ] in each year]/[Not applicable]  
*(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
16. Floating Rate Notes Provisions: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Interest Period(s): [ ]
- (b) Specified Interest Payment Dates: [ ]
- (c) First Interest Payment Date: [ ]
- (d) Interest Period Date: [Interest Payment Date/Other (specify)]
- (e) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]  
  
*[Insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount]*
- (f) Business Centre(s): [ ]
- (g) Manner in which the Rate(s) of Interest is/are to be determined: of [Screen Rate Determination/FBF Determination/ISDA Determination]

- (h) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): [ ]
- (i) Screen Rate Determination: [Applicable/Not applicable]
- (i) Reference Rate: [ ]
- (ii) Interest Determination Date(s): [ / ] [TARGET2] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]
- (iii) Relevant Screen Page: [ ]
- (j) FBF Determination: [Applicable/Not applicable]
- (i) Floating Rate (Taux Variable): [ ]
- (ii) Floating Rate Determination Date (Date de Détermination du Taux Variable): [ ]
- (k) ISDA Determination: [Applicable/Not applicable]
- (i) Floating Rate Option: [ ]
- (ii) Designated Maturity: [ ]
- (iii) Reset Date: [ ]
- (iv) ISDA Definitions: 2006
- (l) Margin(s): [+/-][ ] per cent per annum
- (m) Minimum Rate of Interest: [Not applicable/[ ] per cent per annum]
- (n) Maximum Rate of Interest: [Not applicable/[ ] per cent per annum]
- (o) Day Count Fraction: [ ]
17. Zero Coupon Notes Provisions: [Applicable/Not applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Amortisation Yield: [ ] per cent per annum
- (b) Day Count Fraction: [ ]
- (c) Any other formula/basis of determining amount payable: [ ]  
(Consider applicable Day Count Fraction is euro denominated)

## PROVISIONS RELATING TO REDEMPTION

18. Call Option: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount(s) of [ ] per Note of [ ] Specified Denomination each Note:
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ]
- (ii) Maximum Redemption Amount: [ ]
- (d) Option Exercise Date(s) [ ]
- (e) Notice period (if other than as set out in the Conditions): [ ]
19. Put Option: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount(s) of [ ] per Note of [ ] Specified Denomination each Note:
- (c) Option Exercise Date(s) [ ]
- (d) Notice period (if other than as set out in the Conditions): [ ]
20. Final Redemption Amount of each Note: [[ ] per Note of [ ] Specified Denomination/ Specified Denomination]
21. Early Redemption Amount:
- Early Redemption Amount(s) of each Note [ ] payable on early redemption:

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: [Dematerialised Notes/ Materialised Notes]  
*(Materialised Notes are only in bearer form)*  
[Delete as appropriate]
- (a) Form of Dematerialised Notes: [Not applicable/if applicable specify whether bearer dematerialised form (au porteur)/ administered



registered dematerialised form (*au nominatif administré*)/ fully registered dematerialised form (*au nominatif pur*)

- (b) Registration Agent: [Not applicable/if applicable give name and address] (*Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered dematerialised form only*)
- (c) 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. Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g): [Not applicable/Give details. *Note that this paragraph relates to the date and place of payment, and not interest period end dates*]
- Adjusted Payment Date (Condition 8(g)): [Not applicable/The next following business day unless it would thereby fall into the next calendar month, in which such date shall be brought forward to the immediately preceding business day.] [The immediately preceding business day]/[Other\*]
24. Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature): [Yes/No/Not applicable. If yes, give details] (*Only applicable to Materialised Notes*)
25. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not applicable/give details]
26. Redenomination, renominatisation and reconventioning provisions: [Not applicable/The provisions [in Condition 2(d)] apply]
27. Consolidation provisions: [Not applicable/The provisions [in Condition 13(b)] apply]
28. Masse (Condition 11): [Applicable/ Not applicable/ Condition 11 replaced by the full provisions of the *Code de commerce* relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued or deemed to be issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the full provisions of the Code de commerce relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies or if full provisions of the Code de commerce relating to the Masse apply, insert*

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\* In the market practice, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 8(g)).

*details of Representative and Alternative Representative and remuneration, if any.)*

## **DISTRIBUTION**

29. (a) If syndicated, names of Managers: [Not applicable/*give names*]  
(b) Date of Subscription Agreement: [ ]  
(c) Stabilising Manager(s) (if any): [Not applicable/*give name*]
30. If non-syndicated, name of Dealer: [Not applicable/*give name*]
31. Additional selling restrictions: [Not applicable/*give details*]
32. U.S. selling restrictions: The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.  
  
[TEFRA C/ TEFRA D/ TEFRA not applicable]  
*(TEFRA is not applicable to Dematerialised Notes)*

## **GENERAL**

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [ ] per cent producing a sum of: [Not applicable/[ ]]

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue and admission to trading on the [*specify relevant regulated market*] of the Notes described herein pursuant to the €15,000,000,000 Euro Medium Term Note Programme of the Issuer.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [[*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 BNP Paribas Public Sector SCF:

By:

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (a) Listing(s): [Euronext Paris / other (*specify*)/ None]
- (b) (i) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify 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 [*specify relevant regulated market*]] with effect from [ ].] [Not applicable]  
*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (ii) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: [ ]
- (c) Estimate of total expenses related to admission to trading: [ ]
- (d) Additional publication of Base Prospectus and Final Terms: [ ] *(See paragraph 10 of the section "General Information" of this Base Prospectus which provides that the Base Prospectus will be published on the website of the Autorité des marchés financiers (the AMF) (www.amf-france.org) during a period of 12 months from the date of the Base Prospectus and that the Final Terms related to Notes on any Regulated Market will be published on the website of the AMF. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.)*

### 2. RATINGS

- Ratings: The Notes to be issued have been rated:  
[S & P: [ ]]  
[Fitch: [ ]]  
*(The above disclosure should reflect the credit rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that*

*credit rating.])*

[S&P and Fitch are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation. ]

### 3. [NOTIFICATION

The *Autorité des marchés financiers*, which is the French competent authority for the purpose of the Prospectus Directive [has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host member states*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

### 4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *privilège* defined in article L.515-19 of the *Code monétaire et financier*, after settlement of this issue and of the issues which have been the subject of previous attestations.

### 5. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST<sup>2</sup>

*If advisors are mentioned in these Final Terms, specify the capacity in which the advisors have acted.*

*Specify other information mentioned in the Final Terms which has been audited or reviewed by auditors and where auditors have produced a report. Insert the report or, with permission of the competent authority, a summary of the report.*

*Where a statement or report attributed to a person as an expert is included in these Final Terms in respect of the Issuer or the Notes, provide such person's name, business address, qualifications and material interest if any in the Issuer. If the report has been produced at the Issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part in respect of the Issuer or the Notes.*

*Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*In addition, the Issuer shall identify the source(s) of the information.]*

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<sup>2</sup> Please note that some regulatory authorities may require the inclusion of that information even though the denomination of the Notes is €100,000 or more.

6. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: "Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under article 16 of the Prospectus Directive.)]*

7. **[Floating Rate Notes only - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

8. **[Fixed Rate Notes only – YIELD**

Indication of yield:

[ ]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

9. **PLACING AND UNDERWRITING**

Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place: [ ]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements. Where not all of the issue is underwritten, a statement of the portion not covered: [ ]

10. **OPERATIONAL INFORMATION**

ISIN Code: [ ]

Common Code: [ ]

Depositaries:

(a) Euroclear France to act as Central Depository [Yes/No]

(b) 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 [Not applicable/give name(s) and number(s) and address(es) and provide any other

Banking, société anonyme and the relevant *appropriate information*  
identification number(s):

Delivery:

Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s): [ ]

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

## TAXATION

*The following is a summary limited to certain tax considerations relating to 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 as of the date of this Base Prospectus and is subject to any changes in law. 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. 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.*

### EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

On 3 June 2003, the European Council of Economics and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the **Savings Directive**). Pursuant to the Savings Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Savings Directive (interest, products, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the **Disclosure of Information Method**).

For these purposes, the term "paying agent" is widely defined and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of an individual.

However, throughout a transitional period, certain Member States (the Grand Duchy of Luxembourg, and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments (unless during that transitional period they elect otherwise). The rate of such withholding tax equals 35 per cent. until the end of the transitional period. Such transitional period will end at the end of the first full fiscal year following the later of (a) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the **OECD Model Agreement**) with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate of 35 per cent. and (b) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

A number of non-EU countries and dependent or associated territories, including Switzerland, have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.



## FRENCH TAXATION

### French withholding tax

The following is a summary limited to certain tax considerations relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source, that may be relevant to holders of Notes who (i) are non-French residents, (ii) do not hold their Notes in connection with a business or profession conducted in France, as a permanent establishment or with a fixed base in France.

*Notes which are not consolidated (assimilables for the purpose of French law) and do not form a single series with Notes issued before 1 March 2010*

Following the introduction of the *loi de finances rectificative pour 2009* n°3 (n° 2009-1674 dated 30 December 2009) (the **Law**), payments of interest and other revenues made by the Issuer with respect to Notes issued from 1 March 2010 (other than Notes (as described below) which are consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued prior to 1 March 2010 with the benefit of article 131 *quater* of the *Code général des impôts*) are not subject to the withholding tax set out under article 125 A III of the *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 *Code général des impôts* (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 75 per cent. 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 *Code général des impôts*.

Furthermore, according to article 238 A of the *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 in such a Non-Cooperative State (the **Deductibility Exclusion**). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to article 109 of the *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 *Code général des impôts*, at a rate of 30 per cent. or 75 per cent. subject to the more favourable provisions of an applicable double tax treaty.

Notwithstanding the foregoing, the Law provides that neither the 75 per cent. withholding tax set out under article 125 A III of the *Code général des impôts* nor the Deductibility Exclusion will apply in respect of an issue of 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 the *Bulletins Officiel des Finances Publiques-Impôts* BOI-ANNX-000364-20120912 and BOI-ANNX-000366-20120912, 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 Notes, if such Notes are:

- (a) offered by means of a public offer within the meaning of article L.411-1 of the *Code monétaire et financier* or pursuant to an equivalent offer in a State 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
- (b) 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

- (c) admitted, at the time of their issue, to the clearing 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 *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

***Notes which are consolidated (assimilables for the purpose of French law) and form a single series with Notes issued before 1 March 2010***

Payments of interest and other revenues with respect to Notes which are consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 with the benefit of article 131 *quater* of the *Code général des impôts* will be exempt from the withholding tax set out under article 125 A III of the *Code général des impôts*.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of *Bulletin Officiel des Finances Publiques-Impôts* BOI-RPPM-RCM-30-10-30-30-20120912, respectively, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of article 131 *quater* of the *Code général des impôts*, in accordance with the above mentioned regulations.

In addition, interest and other revenues paid by the Issuer on Notes which are to be consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 will not be subject to the Deductibility Exclusion, and hence will not be subject to the withholding tax set out in article 119 *bis* of the *Code général des impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

**Savings Directive**

The Savings Directive was implemented into French law under Article 242 *ter* of the *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Please refer to the section "*EU Directive on the taxation of savings income*" above for more details.

**FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (a) 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 (b) 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 Issuer may be classified as an FFI.

The new withholding regime will be phased in beginning 1 January 2014 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 2017. This withholding would potentially apply to payments in respect of (a) any Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is the later of (a) 1 January 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the

term foreign passthru payments are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (b) 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 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 announced their intention to negotiate 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, an FFI in a Model 1 IGA jurisdiction 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 (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. 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 indicated an intention to enter into an agreement (a **U.S.-France IGA**) however no assurance can be given that the United States and France will enter into such an agreement.

If the Issuer does not become a Participating FFI, Reporting FI, or is not treated as exempt from or in deemed compliance with FATCA, the Issuer may be subject to FATCA Withholding on payments received from U.S. sources and Participating FFIs. Any such withholding imposed on the Issuer may reduce the amounts available to the Issuer to make payments on the Notes.

The Issuer expects to be treated as a Reporting FI pursuant to a U.S.-France IGA and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance however 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. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (a) 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 (b) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA Withholding were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

**FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on proposed regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form.**

**TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

## SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated programme agreement dated 8 April 2013 between the Issuer, the Arranger and the Permanent Dealer as modified and/or supplemented and/or restated from time to time (the **Programme Agreement**), the Notes will be offered by the Issuer to the Permanent Dealer. 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 Programme 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 their expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme 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 or supplemented 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 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 neither the Issuer nor any other Dealer shall have responsibility therefore.

#### **United States**

The Notes have not been and will not be registered under the United States Securities Act of 1933; as amended (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. 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, except as permitted by the Programme Agreement.

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 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 Dealers 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 by any non-U.S. person outside the United States 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.

### **Public Offer Selling Restrictions under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are subject of the offering contemplated by this Base Prospectus as contemplated by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal person (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
- (c) 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 (a) to (c) 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 Relevant Member State 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 by any measure implementing the Prospectus Directive in that Member State;
- the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) on the prospectus to be published when securities are offered to the public or admitted to trading and includes any relevant implementing measure in each Relevant Member State; and
- the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

### **United Kingdom**

Each Dealer 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 year from the date of their issue, (i) it is a person whose ordinary activities involve in it acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to the persons whose ordinary activities involve them

in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or whose it is reasonable to expect they will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of Note 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 any 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.

## 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 it has not offered or sold and will not offer or sell, directly or indirectly, Notes (in the case of Notes admitted to trading on Euronext Paris, in connection with their initial distribution) to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, 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, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals – all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the *Code monétaire et financier*.

## Belgium

The Notes may not be distributed in Belgium by way of an offer of securities to the public, as defined in article 3 paragraph 1 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets (the **Prospectus Law**) save in those circumstances set out in article 3 paragraph 2 of the Prospectus Law.

The offering is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and the Base Prospectus or any other offering material relating to the Notes has not been and will not be approved by, the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) (**FSMA**).

Accordingly, the offering may not be advertised and each of the Dealers has represented and agreed that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes and that it has not distributed, and will not distribute, any memorandum, information circular, brochure or any similar documents, directly or indirectly, to any individual or legal entity in Belgium other than:

- (a) qualified investors, as defined in Article 10 of the Prospectus Law;
- (b) investors required to invest a minimum of €100,000 (per investor and per transaction);

and in any other circumstances set out in Article 3 §2 of the Prospectus Law.

This Base Prospectus has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the offering of Notes. Accordingly, the information contained herein may not be used for any other purpose nor disclosed to any other person in Belgium.

## Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (**Regulation No. 11971**); or
- (b) in other circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

*Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (i) and (ii) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.*

## Ireland

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

- (a) it has not offered or sold and will not offer or sell any Notes except in conformity with the provisions of the Prospective Directive, and applicable implementing measures in Ireland, and the provisions of the Companies Acts 1963 to 2009 of Ireland and every other enactment that is to be read together with any of those Acts;
- (b) in connection with offers or sales of Notes it has only issued or passed on, and will only issue or pass on, in Ireland or elsewhere, any document received by it in connection with the issue of such Notes to persons who are persons to whom the document may otherwise lawfully be issued or passed on;
- (c) it has complied and will comply with all applicable provisions of European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) of Ireland, as amended, with respect to anything done by it in relation to the Notes or operating in, or otherwise involving, Ireland and is acting under and within the terms of an authorisation to do so for the purposes of Directive

2004/39/EC of the European Parliament and of the Council of 21 April 2004 and it has complied with any applicable code of conduct or practice pursuant to implementing measures in respect of the foregoing Directive in any relevant jurisdiction; and

- (d) It has not offered or sold and will not offer or sell any Notes other than in compliance with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act, 2005 by the Central Bank of Ireland.

### **The Netherlands**

Each Dealer has represented and agreed that any Notes with a maturity of less than 12 months will be offered in the Netherlands to professional market parties as defined in the Financial Supervision Act (*Wet op het financieel toezicht*) and the decrees issued pursuant thereto.

### **Switzerland**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with (a) any laws, regulations or guidelines in Switzerland from time to time, in relation to the offer, sale, delivery or transfer of the Notes or the distribution of any offering material in Switzerland in respect of such Notes, as well as (b) the requirements in respect of the distribution of CHF 515 Notes.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Federal Republic of Germany**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, to offer and sell Notes issued under the Programme in compliance with the provisions of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and the German Securities Sales Prospectus Act (*Wertpapier-Verkaufprospektgesetz*), as applicable, each as amended from time to time and all other applicable legislation and regulation in Germany.

### **Spain**

Neither the Notes nor the Base Prospectus have been or will be approved or registered in the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes may not be offered, sold or distributed in Spain except in circumstances which do not constitute a public offering of securities in Spain within the meaning of section 30-bis of the Securities Market Law 24/1988 of 28 July 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) (as amended, the **Securities Market Law**), as developed by Royal Decree 1310/2005 of 4 November on admission to listing and on issues and public offers of securities (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), and supplemental rules enacted thereunder or in substitution thereof from time to time. The Notes may only be offered and sold in Spain by institutions authorised to provide



investment services in Spain under the Securities Market Law (and related legislation) and Royal Decree 217/2008 of 15 February on the Legal Regime Applicable to Investment Services Companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de la demás entidades que prestan servicios de inversión*).

## GENERAL INFORMATION

### (1) **Corporate authorisations**

The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the establishment of the Programme.

Any issue of Notes by the Issuer under the Programme will, to the extent that such Notes constitute *obligations* under French law, require the prior authorisation of the board of directors (*Conseil d'administration*) of the Issuer. The board of directors (*Conseil d'administration*) of the Issuer may delegate to any of its members and/or the chief executive officer (*Directeur général*) and, with the approval of the latter, to any other person, the power to decide on the issue of such Notes within a period of one year. For this purpose the board of directors (*Conseil d'administration*) of the Issuer has delegated on 21 September 2012 to Jean-Louis GODARD (*Président Directeur général*), Valérie BRUNERIE (*Directeur général délégué*), as well as to Tarak BORCHANI and Alain DEFORGE, acting jointly or separately, the power to issue *obligations foncières* under the Programme, up to a maximum aggregate amount of €4,000,000,000 for one year, which authority will, unless previously cancelled, expire on 21 September 2013.

### (2) **No significant change in the financial or trading position**

There has been no significant change in the financial or trading position of the Issuer since the end of the last financial period for which audited financial information has been published.

### (3) **No material adverse change in the prospects**

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

### (4) **Conflicts of interest**

As far as the Issuer is aware, the members of Issuer's management and supervisory bodies have no conflict of interest between their duties to the Issuer and their private interests and/or other duties.

### (5) **Legal and arbitration proceedings**

Except as disclosed in this Base Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

### (6) **Post-issuance information**

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

### (7) **Clearing**

Application may be made for Notes to be accepted for clearance through Euroclear France (115, rue Réaumur, 75081 Paris CEDEX 02, 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) **Specific Controller certificate**

Pursuant to article R.515-13 IV of the *Code monétaire et financier*, the Specific Controller certifies that the rule providing that the amount of Cover Pool Assets of the Issuer is greater than the amount of liabilities benefiting from the *Privilège* is satisfied on the basis of a quarterly borrowing programme (*attestation trimestrielle*) and for any issue of Notes in a principal amount equal to or above Euro 500 million or its equivalent in the currency of issue (*attestation spécifique à une émission supérieure à 500 milliards d'euros*).

The current Specific Controller is Fides Audit (represented by Stéphane MASSA - 11, rue Marie Laurencin, 75012 Paris).

(9) **Statutory Auditors**

Mazars (represented by Guillaume POTEL, Exaltis – 61 rue Henri Regnault, 92400 Courbevoie, France) and PricewaterhouseCoopers Audit (represented by Patrice MOROT, 63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the years ended 31 December 2010 and 31 December 2011. Deloitte & Associés (represented by Sylvie BOURGUIGNON, 185 avenue Charles de Gaulle, 92524 Neuilly sur Seine (France)) have been appointed on 12 September 2012. Deloitte & Associés (represented by Sylvie BOURGUIGNON, 185 avenue Charles de Gaulle, 92524 Neuilly sur Seine (France)) and PricewaterhouseCoopers Audit (represented by Patrice MOROT, 63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France) have rendered a limited report (*rapport d'examen limité*) on the Issuer's semi-annual financial statements for the period ended 30 June 2012. The Issuer's statutory auditors are registered with the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (Regional Association of Statutory Auditors of Versailles) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors).

(10) **Availability of documents**

This Base Prospectus and any supplement thereto will be published on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)) during a period of 12 months from the date of approval of this Base Prospectus and will also be available on the website of the Issuer ([www.http://invest.bnpparibas.com](http://invest.bnpparibas.com)). The Final Terms related to Notes admitted to trading on Euronext Paris will be published on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)).

The Final Terms relating to Notes admitted to trading on a Regulated Market other than Euronext Paris, will be published in accordance with the applicable legislation and regulations and with the rules of such Regulated Market.

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):

- (a) the *statuts* of the Issuer;
- (b) the 2010 Financial Statements, the 2011 Financial Statements and the 2012 Interim Financial Statements;

- (c) Final Terms for Notes that are listed and admitted to trading on Euronext Paris or any other Regulated Market;
- (d) a copy of this Base Prospectus together with any Supplement to this Base Prospectus; and
- (e) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.

The Agency Agreement (which includes, in particular, the form of the *Lettre Comptable*, of the Temporary Global Certificates, of the Definitive Materialised Notes, of the Coupons, of the Receipts and of the Talons) will be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection, at the registered office of the Issuer and at the specified office of the Paying Agent(s).

## PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

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

Paris, 8 April 2013

BNP Paribas Public Sector SCF  
1, Boulevard Haussmann  
75009 Paris  
France

Duly represented by:  
Jean-Louis GODARD

in his capacity as Chief Executive Officer (*Président Directeur Général*) of the Issuer



### *Autorité des marchés financiers*

In accordance with Articles L. 412-1 and L. 621-8 of the *Code monétaire et financier* and with the *Règlement Général* of the *Autorité des marchés financiers* (AMF), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa no. 13-142 on 8 April 2013. This document may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's *Règlement Général*, setting out the terms of the securities being issued.

**Issuer**

**BNP Paribas Public Sector SCF**

1, Boulevard Haussmann  
75009 Paris  
France

**Arranger**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Dealer**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,  
Registration Agent and Calculation Agent**

BNP Paribas Securities Services  
Euroclear affiliate number: 29106  
Les Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin  
France

**For any operational notification**

**BNP Paribas Securities Services, Luxembourg Branch**

33 rue de Gasperich, Howald – Hesperange  
L – 2085 Luxembourg  
Luxembourg

**Auditors to the Issuer**

**PricewaterhouseCoopers Audit**

63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex  
France

**Deloitte & Associés**

185, avenue Charles de Gaulle  
B.P. 136  
92203 Neuilly-sur-Seine Cedex  
France

**Specific Controller**

**Fides Audit**

11 rue Marie Laurencin  
75012 Paris  
France

**Legal Adviser to the Arranger and the Dealers**

**Allen & Overy LLP**

52, avenue Hoche  
75008 Paris  
France