



**Up to U.S.\$30,000,000,000**

**BNP PARIBAS  
(as Issuer)**

3(a)(2), 144A and Reg. S Notes

3(a)(2) Notes Guaranteed by

**BNP PARIBAS, NEW YORK BRANCH**

**Supplement No. 1**

to the Prospectus Supplement dated May 4, 2016

supplementing the Base Prospectus dated May 13, 2015

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This prospectus supplement (the “**Prospectus Supplement**”) should be read in conjunction with the base prospectus dated May 13, 2015, as amended by the prospectus supplement dated May 4, 2016 (together, the “**Base Prospectus**”), prepared in connection with the \$30,000,000,000 U.S. Medium-Term Note Program of BNP Paribas (the “**Program**”). All capitalized terms not defined herein shall have the meanings given to them in the Base Prospectus.

This Prospectus Supplement has been prepared for the sole purpose of amending the sections entitled “Summary”, “Risk Factors”, “Government Supervision and Regulation of BNP Paribas in France”, “Terms and Conditions of the Notes” and “Guarantees”.

The provisions of this Prospectus Supplement supersede those of the Base Prospectus in the event and to the extent of any inconsistency.

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Supplement No. 1 dated December 9, 2016

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## SUMMARY

**This summary is qualified in its entirety by the detailed provisions of the Base Prospectus and this Prospectus Supplement, to which this summary is subject. Capitalized terms used but not defined in the summary have the meanings ascribed to them in “*Terms and Conditions of the Notes*”.**

Issuer .....	BNP Paribas.
Guarantor of the 3(a)(2) Notes .....	The Issuer, acting through its New York Branch. The 144A and Regulation S Notes are not guaranteed.
Offered Amount.....	The Issuer may use the Base Prospectus to offer up to an aggregate principal amount outstanding at any one time of U.S.\$30,000,000,000 of Notes, or its equivalent in other currencies, less the aggregate principal amount of any medium-term notes then outstanding issued by the Issuer under this Program.
Maturities.....	Any maturity in excess of one day, except in the case of Subordinated Notes for which the minimum maturity will be five (5) years, or in any case such other minimum maturity as may be required from time to time by the relevant authority. No maximum maturity is contemplated, and Notes may be issued with no specified maturity dates ; provided, however, that Notes will be issued only in compliance with all applicable legal and regulatory requirements.
Issue Price.....	Notes may be issued at par or at a discount from, or premium over, par and either on a fully paid or partly paid basis.
Denominations.....	Notes will be issued in such denominations as may be specified in the applicable supplement, subject to compliance with all legal and regulatory requirements applicable to the relevant Specified Currency.
Currencies.....	Notes may be denominated in any currency or currencies agreed upon between the Issuer and the relevant Dealers, subject to compliance with all applicable legal and regulatory restrictions. Payments in respect of an issue of Notes may, subject to applicable legal and regulatory compliance, be made in and linked to any currency or currencies.
Redenomination.....	Notes may be redenominated in euro as set forth in the applicable supplement.
Form of Notes.....	Unless otherwise specified in the accompanying supplement, Notes will be issued in the form of one or more fully registered global securities, without coupons, registered in the name of a nominee of DTC and deposited with a custodian for DTC. You may hold a beneficial interest in Notes through Euroclear Bank S.A./N.V., as operator of the Euroclear System (“ <b>Euroclear</b> ”), Clearstream Banking, <i>société anonyme</i> (“ <b>Clearstream, Luxembourg</b> ”), or DTC directly as a participant in one of those systems or indirectly through financial institutions that are participants in any of those systems.

Owners of beneficial interests in Notes generally will not be entitled to have their Notes registered in their names, will not be entitled to receive certificates in their names evidencing their Notes and will not be considered the holder of any Notes under the Fiscal and Paying Agency Agreement for the Notes.

Notes to be issued under the Program will be either senior preferred notes, senior non preferred notes or subordinated notes, as described below.

Status of the Senior Notes .....

“**Senior Notes**” may be Senior Preferred Notes or Senior Non Preferred Notes, as specified in the applicable supplement.

(i) If the Notes are “**Senior Preferred Notes**”, the Notes will be Senior Preferred Obligations and constitute direct, unconditional, unsecured and senior obligations of the Issuer, and rank and will at all times rank:

- a) senior to Senior Non Preferred Obligations;
- b) *pari passu* among themselves and with other Senior Preferred Obligations; and
- c) junior to present and future claims benefiting from other preferred exceptions.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Notes rank (a) junior to present and future claims benefiting from other preferred exceptions, and (b) senior to any Senior Non Preferred Obligations.

(ii) If the Notes are “**Senior Non Preferred Notes**”, the Notes will be Senior Non Preferred Obligations and constitute direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer, and rank and will at all times rank:

- a) senior to Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations;
- b) *pari passu* among themselves and with other Senior Non Preferred Obligations; and
- c) junior to present and future claims benefiting from preferred exceptions including Senior Preferred Obligations.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Non Preferred Notes rank:

- a) junior to Senior Preferred Obligations; and
- b) senior to any Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations.

(iii) If the Notes are “**Senior Preferred to Senior Non Preferred Notes (optional conversion)**”, the Notes will upon issue be Senior Preferred Notes but the Issuer may elect on giving not more than forty-five (45) nor less than fifteen (15) days’ notice to the Noteholders (in accordance with Condition 12) (which notice shall be irrevocable and shall specify the date fixed for such conversion (the “**Optional Conversion Date**”), to convert the Notes into Senior Non Preferred Notes.

(iv) If the Notes are “**Senior Preferred to Senior Non Preferred Notes (automatic conversion)**”, the Notes will upon issue be Senior Preferred Notes but the Notes will automatically be converted into Senior Non Preferred Notes on the date set out in the applicable supplement (the “**Automatic Conversion Date**”).

“**Ordinarily Subordinated Obligations**” means any subordinated obligations or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* among themselves, and constitute direct, unconditional, unsecured and subordinated obligations of the Issuer but in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”, i.e. engagements subordonnés de dernier rang*).

“**Eligible Creditors**” shall mean creditors holding subordinated claims that rank or are expressed to rank senior to the Subordinated Notes.

“**Senior Non Preferred Obligations**” means any senior (*chirographaires*) obligations of, or other instruments issued by, the Issuer, which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-4°. of the French Monetary and Financial Code (including the Senior Non Preferred Notes).

“**Senior Preferred Obligations**” means any senior obligations of, or other instruments issued by, the Issuer, which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-3°. of the French Monetary and Financial Code (including the Senior Preferred Notes).

For the avoidance of doubt, Unsubordinated Notes issued under the Program prior to the date of this Prospectus Supplement will constitute Senior Preferred Obligations.

Status of the Subordinated Notes..... *Ranking of Subordinated Notes as long as Existing Subordinated Notes are outstanding.* For so long as any Existing Subordinated Note is outstanding, the Subordinated Notes will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank *pari passu* among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and ordinary subordinated indebtedness of the Issuer. Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of the holders of the Subordinated Notes will be subordinated to the full payment of the unsubordinated creditors (including depositors) of the Issuer but, subject to such payment in full, such holders of Subordinated Notes will be paid in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any Undated Deeply Subordinated Notes (*obligations dites "super subordonnées" i.e. engagements subordonnés de dernier rang*) issued by the Issuer. The Subordinated Notes of the Issuer are issued pursuant to the provisions of Article L.228-97 of the French Commerce Code (*Code de commerce*).

*Ranking of Subordinated Notes once no Existing Subordinated Notes are outstanding.* Upon redemption or repurchase and cancellation of all of the Existing Subordinated Notes, the Subordinated Notes will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank *pari passu* among themselves and *pari passu* with:

- a) any obligations or instruments of the Issuer which constitute Tier 2 Capital; and
- b) any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Notes.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of a holder of the Subordinated Notes will be (a) subordinated to the full payment of (i) the unsubordinated creditors of the Issuer and (ii) the Eligible Creditors of the Issuer; and (b) will be paid in priority to any *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*obligations dites "super subordonnées" i.e. engagements subordonnés de dernier rang*). The Subordinated Notes of the Issuer are issued pursuant to the provisions of Article L.228-97 of the French Commerce Code.

Senior Guarantees..... The obligations of the Issuer under the Senior Preferred Notes that are 3(a)(2) Notes (the “**3(a)(2) Senior Preferred Notes**”) will be guaranteed on a senior preferred basis by the Guarantor (the “**Senior Preferred Guarantee**”). The Guarantor’s obligations under the Senior Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior obligations of the Guarantor and rank and will at all times rank:

- a) senior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee);
- b) *pari passu* with Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Guarantee); and
- c) junior to present and future claims benefiting from other preferred exceptions.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Preferred Notes under the Senior Preferred Guarantee rank (a) junior to present and future claims benefiting from other preferred exceptions, and (b) senior to any Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee).

The obligations of the Issuer under the Senior Non Preferred Notes that are 3(a)(2) Notes (the “**3(a)(2) Senior Non Preferred Notes**”) will be guaranteed on a senior non preferred basis by the Guarantor (the “**Senior Non Preferred Guarantee**”). The Guarantor’s obligations under the Senior Non Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior (*chirographaires*) obligations of the Guarantor and rank and will at all times rank:

- a) senior to Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Subordinated Guarantee);
- b) *pari passu* with other Senior Non Preferred Obligations; and
- c) junior to present and future claims benefiting from preferred exceptions including Senior Preferred Obligations (including obligations of the Guarantor under the Senior Preferred Guarantee and the Senior Guarantee).

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings

affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Non Preferred Notes under the Senior Non Preferred Guarantee rank:

- a) junior to Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Preferred Guarantee); and
- b) senior to any Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations of the Issuer and to the obligations of the Guarantor under the Subordinated Guarantee.

Neither the Fiscal and Paying Agency Agreement nor the Senior Non Preferred Guarantee limits the amount of liabilities ranking *pari passu* with or senior to the obligations under the Senior Non Preferred Guarantee that may be incurred or assumed by the Guarantor.

“**Senior Guarantee**” means each of the senior guarantees issued by the Guarantor on May 30, 2008 and May 13, 2015, respectively, relating to the Program.

Subordinated Guarantee .....

The obligations of the Issuer under the Subordinated Notes that are 3(a)(2) Notes (the “**3(a)(2) Subordinated Notes**”) will be guaranteed on a subordinated basis by the Guarantor (the “**Subordinated Guarantee**” and, along with the Senior Preferred Guarantee and the Senior Non Preferred Guarantee, the “**Guarantees**”).

For so long as any Existing Subordinated Note is outstanding, the Guarantor’s obligations under the Subordinated Guarantee constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank and will rank *pari passu* with all other present and future direct, unconditional, unsecured and ordinarily subordinated obligations of the Issuer. Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee shall be subordinated to the full payment of unsubordinated creditors of the Issuer (including depositors) but, subject to such payment in full, a holder of 3(a)(2) Subordinated Notes shall be paid under the Subordinated Guarantee in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any Undated Deeply Subordinated Notes (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*) issued by the Issuer.

Upon redemption or repurchase and cancellation of all of the Existing Subordinated Notes, the Guarantor’s obligations under the Subordinated Guarantee will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and will rank *pari passu* among themselves and *pari passu* with:



- a) any obligations or instruments of the Issuer which constitute Tier 2 Capital; and
- b) any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Guarantee.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee will (a) be subordinated to the full payment of (i) the unsubordinated creditors of the Issuer and (ii) the Eligible Creditors of the Issuer; and (b) will be paid in priority to any *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*obligations dites "super subordonnées" i.e. engagements subordonnés de dernier rang*).

Neither the Fiscal and Paying Agency Agreement nor the Subordinated Guarantee limits the amount of liabilities ranking *pari passu* with or senior to the obligations under the Subordinated Guarantee that may be incurred or assumed by the Guarantor.

The Bail-in Tool may also apply to guarantee obligations such as the Guarantees.

Fixed-Rate Notes ..... Fixed-rate notes (the "**Fixed-Rate Notes**") will bear interest at the rate set forth in the applicable supplement. Fixed-rate interest will be payable on the dates specified in the applicable supplement and on redemption.

Interest will be calculated by the Calculation Agent on the basis of the Day Count Fraction agreed to between the Issuer and the relevant Dealers and specified in the applicable supplement.

Floating-Rate Notes ..... Floating-rate notes (the "**Floating-Rate Notes**") will bear interest at a rate calculated by the Calculation Agent:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement in the form of either (a) an agreement incorporating the "2006 ISDA Definitions," as published by the International Swaps and Derivatives Association Inc. and as amended and updated as at the issue date of the first Series of the relevant Notes, or (b) the "Master Agreement" relating to transactions on forward financial instruments published by the *Fédération Bancaire Française* and evidenced by a Confirmation; or
- (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service; or

(iii) on any other basis agreed to in writing between the Issuer and the relevant Dealers and set forth in the applicable supplement.

Floating-Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

The margin, if any, in respect of the floating interest rate will be agreed to between the Issuer and the relevant Dealers.

Interest on Floating-Rate Notes will be payable and will be calculated as specified, prior to issue, in the applicable supplement. Interest will be calculated on the basis of the Day Count Fraction agreed to between the Issuer and the relevant Dealers and set forth in the applicable supplement.

Dual Currency Notes ..... Payments, whether in respect of principal or interest and whether at maturity or otherwise, in respect of dual currency notes (the “**Dual Currency Notes**”) will be made in such currencies and based upon such rates of exchange agreed to between the Issuer and the relevant Dealers and set forth in the applicable supplement.

Linked Notes ..... Payments, whether in respect of principal or interest and whether at maturity or otherwise, in respect of linked notes (the “**Linked Notes**”) will be calculated by reference to the index and/or formula agreed to between the Issuer and the relevant Dealers and set forth in the applicable supplement.

Physical Delivery Notes ..... Payments, whether in respect of principal or interest and whether at maturity or otherwise, in respect of physical delivery notes (the “**Physical Delivery Notes**”) and any delivery of any underlying assets (the “**Underlying Assets**”) in respect of Physical Delivery Notes will be made in accordance with the terms of the applicable supplement.

In the case of Physical Delivery Notes and Linked Notes, the applicable supplement will, where applicable, contain provisions relating to adjustments with respect to Underlying Assets, any underlying index or indices, settlement disruption and market disruption, including, without limitation and where necessary, appropriate definitions of “Potential Adjustment Events,” “Settlement Disruption Event” and “Market Disruption Event” and details of the consequences of these events.

Zero Coupon Notes..... Zero coupon notes (the “**Zero Coupon Notes**”) will not bear interest other than in relation to interest due at or after the maturity date.

Other Notes..... Terms applicable to any other kinds of Note that the Issuer and any Dealers may agree from time to time to issue will be set forth in the applicable supplement.

Redemption and Purchase ..... The applicable supplement will indicate either:  
  
a) that the relevant Notes cannot be redeemed prior to their stated maturity, other than (i) in specified installments, if

applicable, or (ii) at the option of the Issuer upon the occurrence of (x) a Withholding Tax Event or a Gross Up Event, or (y) in the case of Subordinated Notes, a Capital Event or a Tax Deduction Event, or

- b) that such Notes will be redeemable at the option of (i) the Issuer (“*Issuer Call*”), subject to specified conditions and/or (ii) the holders of Senior Notes (“*Noteholder Put*”) upon giving notice to the holders of the Notes or to the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms, if any, agreed to between the Issuer and the relevant Dealers and set forth in the applicable supplement.

Any early redemption of Subordinated Notes can only be made subject to certain conditions including but not limited to the prior written consent of the Relevant Regulator.

In the case of Subordinated Notes, no redemption of the Notes at the option of the Noteholders is permitted.

The Issuer may, but is not obliged to, subject, in case of Subordinated Notes, to certain conditions (including but not limited to the consent of the Relevant Regulator), purchase Notes (together with all unmatured interest appertaining thereto) at any price in the open market or otherwise in each case in accordance with applicable securities laws.

In the case of Senior Preferred Notes, the holders may, subject to certain conditions, cause the Notes to become immediately due and repayable at their Early Redemption Amount, together, if appropriate, with interest accrued to the date of repayment, upon the occurrence of an Event of Default.

In the case of Subordinated Notes, or if the Notes are Senior Non Preferred Notes, or are Senior Preferred Notes to Senior Non Preferred Notes and become, on the Optional Conversion Date or on the Automatic Conversion Date, as the case may be, Senior Non Preferred Notes, the Events of Default shall not apply.

Substitution and Variation of Senior Non Preferred Notes .....

Subject to having given notice to the Fiscal and Paying Agent and the Noteholders, if a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may, at its option, substitute all (but not some only) of the Senior Non Preferred Notes or vary the terms of all (but not some only) of the Senior Non Preferred Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes.

Listing.....

Notes may be listed or quoted on any stock exchange subject to the requirements of the relevant stock exchange or automated quotation systems or other authority. Unlisted Notes may also be issued. The supplement for each issue of Notes will state whether, and on what stock exchanges, if any, the relevant Notes will be listed.

Governing Law .....	The Notes and the Guarantees will be governed by, and construed in accordance with, the laws of the State of New York, except that Condition 2(a) ( <i>Status (Senior Notes)</i> ), Condition 2(b) ( <i>Status (Subordinated Notes)</i> ) and paragraph 2 of each of the Guarantees will be governed by French law.
Legal and Regulatory Requirements.....	Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will be issued only in circumstances that comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.
Conflicts of Interest .....	BNPP Securities, the Lead Dealer for the Notes offered hereby and a wholly owned subsidiary of the Issuer and an affiliate of the Branch and the Issuer, is a FINRA member. Accordingly, any offering of the 3(a)(2) Notes by BNPP Securities will be conducted in accordance with the applicable provisions of FINRA Rule 5121 governing conflicts of interest. See “ <i>Plan of Distribution—Conflicts of Interest</i> ” in the Base Prospectus.
Distribution.....	<p>The Issuer may sell Notes (i) to or through underwriters or dealers, whether affiliated or unaffiliated, (ii) directly to one or more purchasers, (iii) through the Dealers, or (iv) through a combination of any of these methods of sale.</p> <p>Each supplement will explain the ways in which the Issuer intends to sell a specific issue of Notes, including the names of any underwriters, agents or dealers and details of the pricing of the issue of Notes, as well as any commissions, concessions or discounts the Issuer is granting the underwriters, agents or dealers, and whether they will be offered pursuant to Section 3(a)(2) of the Securities Act, in reliance on Rule 144A and, if in reliance on Rule 144A, whether they will also be offered pursuant to Regulation S.</p>
Fiscal and Paying Agent .....	The Bank of New York Mellon, a New York banking corporation.
Calculation Agent.....	As specified in the applicable supplement.
No Registration; Transfer Restrictions .....	<p>The 3(a)(2) Notes and the Guarantees have not been, and are not required to be, registered under the Securities Act. The Issuer has not registered, and will not register, the 144A Notes or the Regulation S Notes under the Securities Act or any state securities laws. Accordingly, the Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws. See “<i>Notice to Investors</i>” in the Base Prospectus.</p> <p>The applicable supplement may contain additional restrictions on transfer required by any applicable securities laws.</p>
Statutory Write down or Conversion.....	Investors should note that the Issuer is licensed as a credit institution in France and as such is subject to the new resolution regime introduced by the EU Bank Recovery and Resolution Directive of May 15, 2014. This new regulation, among others, gives resolution authorities, in case the Issuer is failing or likely to fail, the power to amend the key terms of the Notes (including

but not limited to the maturity date or the payment of interest, if any), to reduce notional amount of the Notes (including to zero) and convert the Notes to equity. You may not be able to recover all or even part of the amount due under the Notes (if any) or you may receive a different security issued by the Issuer (or another person) in place of the amount (if any) due to you under the Notes by the Issuer, which may be worth significantly less than the amount due to you under the Notes at expiry.

By its acquisition of the Notes, each Noteholder (which includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined in Condition 16 (*Statutory Write down or Conversion*)) by the Relevant Resolution Authority (as defined in Condition 16 (*Statutory Write down or Conversion*)).

## RISK FACTORS

*The discussion below is of a general nature and is intended to describe various risk factors associated with an investment in any Notes issued under this Prospectus Supplement, the Base Prospectus and any accompanying supplement. The following risk factors are being provided to you in addition to the risk factors described in the Base Prospectus to inform you of certain risks arising from the issuance of the Notes but do not purport to comprehensively update the Base Prospectus or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Notes. The factors that will be of relevance to the Notes will depend upon a number of interrelated matters including, but not limited to, the nature of the issue of Notes. Prospective purchasers should carefully consider the following discussion of risks, the risk factors included in the Base Prospectus, any subsequent risk factors to be incorporated by reference herein and any risk factors in any applicable supplement before deciding whether to invest in the Notes. However, these risk factors do not disclose all possible risks associated with an investment in the Notes, and additional risks may arise after the date of the offering.*

*No investment should be made in the Notes until after careful consideration of all those factors that are relevant in relation to the Notes.*

### RISKS RELATED TO THE NOTES

The following risk factor amends and supersedes, the risk factor entitled “*The Notes and the Guarantees may be subject to write-down or conversion to equity either in the context of, or outside of, a resolution procedure applicable to the Issuer*” in the Base Prospectus.

***The Notes and the Guarantees may be subject to write-down, variation, suspension or conversion to equity either in the context of, or outside of, a resolution procedure applicable to the Issuer.***

Pursuant to the EU Bank Recovery and Resolution Directive (the “**BRRD**”), as transposed into French law by a decree-law dated August 20, 2015, resolution authorities have the power to place the institution in resolution at the point at which the resolution authority determines that (i) the institution individually, or the group to which it belongs, is failing or likely to fail, (ii) there is no reasonable prospect that private action would prevent the failure and (iii) a resolution action is necessary in the public interest. If the institution is placed in resolution, resolution authorities have the power *inter alia* to ensure that capital instruments, such as Subordinated Notes, and eligible liabilities, including senior debt instruments, such as Senior Preferred Notes and Senior Non Preferred Notes, absorb losses of the issuing institution, through the write-down or conversion to equity of such instruments (the “**Bail-In Tool**”). The Bail-In Tool might also apply to a guarantee obligation such as the Guarantees. The Bail-In Tool with respect to senior debt instruments, such as Senior Preferred Notes and Senior Non Preferred Notes and, potentially, the Senior Preferred Guarantee and the Senior Non Preferred Guarantee, became effective on January 1, 2016.

In addition, the BRRD provides that the resolution authorities must exercise the write-down of capital instruments or the conversion into common equity tier 1 instruments of additional tier 1 instruments and tier 2 instruments (such as the Subordinated Notes) if the institution has not yet been placed in resolution but any of the following conditions are met: (i) where the determination has been made that conditions for resolution have been met, before any resolution action is taken, (ii) the appropriate authority determines that unless that power is exercised in relation to the relevant capital instruments, the institution or the group will no longer be viable or (iii) extraordinary public financial support is required by the institution. The terms and conditions of the Notes contain provisions giving effect to the Bail-In Tool and the write-down or conversion of capital instruments outside the placement in resolution. See “Terms and Conditions of the Notes— Statutory Write-Down or Conversion” in this Prospectus Supplement.

The use of the Bail-In Tool and/or the write-down or conversion of capital instruments outside a placement in resolution could result in the full or partial write-down or conversion to equity of the Notes and, potentially, the Guarantees, or in a variation of the terms of the Notes or the Guarantees which may result in Noteholders losing some or all of their investment. The exercise of any power under the BRRD as applied to the Issuer or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes. In addition, if the Issuer’s financial condition deteriorates, the existence of the Bail-In Tool and/or the write-down or conversion of

capital instruments outside the placement in resolution could cause the market value of the Notes to decline more rapidly than would be the case in the absence of such tools.

On November 23, 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including CRD IV, CRR, BRRD and the Single Resolution Mechanism. If adopted, these legislative proposals would, among other things, give effect to the FSB TLAC Term Sheet and modify the requirements applicable to the “minimum requirement for own funds and eligible liabilities” (“MREL”). They would also introduce a moratorium tool, i.e. the power to temporarily suspend payments or the entry into or performance of obligations, outside of insolvency or resolution proceedings. The implementation of the current texts and the new proposals, and their application to the Issuer or the taking of any action thereunder is currently uncertain and could materially affect the activity and financial condition of the Issuer and the value of the Notes. It is not yet possible to assess the full impact of the BRRD (and the French law provisions implementing the BRRD) as well as of the new proposals on the Issuer and there can be no assurance that their implementation or the taking of any actions currently contemplated in it will not adversely affect the rights of the Holders, the price or value of their investment in the Notes and/or the ability of the Issuer to fully and timely satisfy its obligations under the Notes.

Finally, Noteholders may have only very limited rights to challenge and/or seek a suspension of any decision of the relevant resolution authority to exercise its resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise.

For further information about the BRRD and related matters, see “Government Supervision and Regulation of BNP Paribas in France” in the Base Prospectus, as amended and supplemented by this Prospectus Supplement.

The following risk factors shall supplement, but not otherwise amend or supersede, the section entitled “*Risk Factors—Risks Related to the Notes*” in the Base Prospectus.

***The terms of the Notes include a waiver of any set-off rights***

Unless otherwise specified in the applicable supplement, by subscribing or acquiring Notes, each Noteholder shall be deemed to have irrevocably waived any actual and potential right of or claim to deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note at any time (for the avoidance of doubt, both before and during any winding-up, liquidation or administration of the Issuer) to the fullest extent permitted by applicable law.

**Additional Risk Factors relating to Senior Non Preferred Notes**

***The Senior Non Preferred Notes are complex instruments that may not be suitable for certain investors***

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

***The Senior Non Preferred Notes are senior non preferred obligations and are junior to certain obligations***

The Issuer’s obligations under the Senior Non Preferred Notes constitute senior non preferred obligations within the meaning of the draft law *relatif à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*, adopted by the French parliament on November 9, 2016 (the “**Senior Non Preferred Law**”). While the Senior Non Preferred Notes by their terms are expressed to be direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer, they nonetheless rank junior in priority of payment to senior obligations

(including Senior Preferred Obligations) of the Issuer in case of judicial liquidation. The Issuer's senior obligations include all of its deposit obligations, its obligations in respect of derivatives and other financial contracts, its senior debt securities outstanding as of the date of entry into force of the Senior Non Preferred Law and all senior debt securities issued thereafter that are not expressed to be senior non preferred obligations within the meaning of article L.613-30-3-I-4° of the French Monetary and Financial Code (including Senior Preferred Notes of the Issuer). In this respect, see "*—The terms of the Senior Non Preferred Notes contain very limited covenants*".

In addition, if the Issuer enters into resolution, its eligible liabilities (including the Senior Non Preferred Notes) will be subject to bail-in, meaning potential write-down or conversion into equity securities or other instruments, in the order of priority that would apply in judicial liquidation proceedings. Because senior non preferred obligations such as the Senior Non Preferred Notes rank junior to senior preferred obligations, the Senior Non Preferred Notes would be written down or converted in full before any of the Issuer's senior preferred obligations (including any Senior Preferred Notes and any senior notes issued prior to the date of entry into force of the Senior Non Preferred Law) are written down or converted. See "*—The Notes and the Guarantees may be subject to write-down or conversion to equity either in the context of, or outside of, a resolution procedure applicable to the Issuer*" above.

As a consequence, holders of the Senior Non Preferred Notes bear significantly more risk than holders of senior preferred obligations (such as Senior Preferred Notes), and could lose all or a significant part of their investments if the Issuer were to enter into resolution or judicial liquidation proceedings.

#### ***Senior non preferred securities are new types of instruments for which there is no trading history***

Prior to the date of entry into force of the Senior Non Preferred Law, French issuers were not able to issue securities with a senior non preferred ranking. Accordingly, there is no trading history for securities of French banks with this ranking. Market participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non preferred obligations. The credit ratings assigned to senior non preferred securities such as the Senior Non Preferred Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of senior non preferred securities such as the Senior Non Preferred Notes will be lower than those expected by investors at the time of issuance of the Notes. If so, investors may incur losses in respect of their investments in the Senior Non Preferred Notes.

#### ***The qualification of the Senior Non Preferred Notes as MREL and TLAC is subject to uncertainty***

The Senior Non Preferred Notes are intended to qualify as MREL/TLAC-eligible instruments under the applicable MREL and TLAC regulations.

"**MREL**" refers to the "minimum requirement for own funds and eligible liabilities" for banking institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Article L.613-44 of the French Monetary and Financial Code) and Commission Delegated Regulation (EU) 2016/1450 of May 23, 2016, or any successor requirement.

"**TLAC**" refers to "total loss-absorbing capacity," a concept under which global systemically important banks ("**G-SIBs**"), such as the BNP Paribas Group, are expected to be required to maintain a minimum amount of TLAC-eligible instruments that rank junior to certain priority liabilities (including deposits and derivatives). The TLAC concept is set forth in a term sheet published by the Financial Stability Board on November 9, 2015 (the "**FSB TLAC Term Sheet**").

On November 23, 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including CRD IV, CRR, BRRD and Single Resolution Mechanism. If adopted, these legislative proposals would, among other things, give effect to the FSB TLAC Term sheet and modify the requirements applicable to MREL. The European and French laws and regulations that will implement TLAC may turn out to be more restrictive than the provisions set forth in the FSB TLAC Term Sheet.



In addition, the requirements for an instrument to be TLAC-eligible and MREL-eligible may not ultimately converge or be consistent under the final European laws and regulations.

Because of the uncertainty surrounding the substance of the final European and French laws and regulations implementing the TLAC requirements and any potential changes to the regulations giving effect to MREL, the Issuer cannot provide any assurance that the Senior Non Preferred Notes will ultimately qualify as MREL/TLAC-eligible instruments pursuant to applicable MREL/TLAC regulations. If they do not qualify as MREL/TLAC-eligible instruments (or if they initially qualify and subsequently become ineligible due to a change in applicable MREL/TLAC regulations), then a MREL/TLAC Disqualification Event will occur, as a result of which the terms of the Senior Non Preferred Notes may be varied or the Senior Non Preferred Notes may be substituted (see “—*The Senior Non Preferred Notes may be subject to substitution and alignment without Noteholder consent*”).

***The Senior Non Preferred Notes may be subject to substitution and variation without Noteholder consent***

Subject as provided herein, in particular to the provisions of Condition 5(o) (*Substitution and Variation of Senior Non Preferred*) if a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may, at its option, substitute all (but not some only) of the relevant Series of Senior Non Preferred Notes or vary the terms of all (but not some only) of the relevant Series of Senior Non Preferred Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes. While Qualifying Notes generally must contain terms that are at least as favorable to Noteholders as the original terms of the Senior Non Preferred Notes, there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favorable, or that the Qualifying Notes will trade at prices that are equal to the prices at which the Senior Non Preferred Notes would have traded on the basis of their original terms.

***There are no events of default under the Senior Non Preferred Notes***

The terms and conditions of the Senior Non Preferred Notes, do not provide (starting from the Optional Conversion Date or the Automatic Conversion Date, as the case may be, in the case of Senior Preferred to Senior Non Preferred Notes) for events of default allowing for the acceleration of such Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under such Notes, including the payment of any interest, Holders will not be able to accelerate the payment of principal. Upon a payment default, the sole remedy available to holders of such Notes for recovery of amounts owing in respect of any payment of principal or interest on such Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

***The terms of the Senior Non Preferred Notes contain very limited covenants***

There is no negative pledge in respect of the Senior Non Preferred Notes and the Terms and Conditions of the Notes place no restrictions on the amount of debt that the Issuer may issue that ranks senior to the Senior Non Preferred Notes, or on the amount of securities it may issue that rank pari passu with the Senior Non Preferred Notes. The issue of any such debt or securities may reduce the amount recoverable by holders of Senior Non Preferred Notes upon liquidation of the Issuer. The Issuer is generally permitted to sell or otherwise dispose of any or substantially all of its assets to another corporation or other entity under the terms of the Senior Non Preferred Notes.

In addition, the Senior Non Preferred Notes do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer’s ability to use cash to make investments or acquisitions, to sell assets, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise distribute cash to shareholders. Such actions could potentially affect the Issuer’s ability to service its debt obligations, including those of the Senior Non Preferred Notes.

***The risks associated with Senior Preferred to Senior Non Preferred Notes will increase after the Optional Conversion Date or the Automatic Conversion Date, as the case may be***

If the Notes are Senior Preferred to Senior Non Preferred Notes (optional conversion) or Senior Preferred to Senior Non Preferred Notes (automatic conversion), the Notes will upon issue be Senior Preferred Notes but will automatically be converted into Senior Non Preferred Notes on the date set out in the applicable supplement or the Issuer may elect to convert the Notes into Senior Non Preferred Notes. Notice will not be given to Noteholders on such automatic conversion date.

Potential investors should be aware that upon conversion these Notes will bear increased risks compared to Senior Preferred Notes, see “—*The Senior Non Preferred Notes are senior Non Preferred obligations and are junior to certain obligations*”.

## GOVERNMENT SUPERVISION AND REGULATION OF BNP PARIBAS IN FRANCE

*The following updates and supersedes in its entirety the “TLAC” paragraph in the section entitled “Government Supervision and Regulation of BNP Paribas in France” in the Base Prospectus.*

### **MREL and TLAC**

To ensure that the Bail-in Tool will be effective if it is ever needed, institutions are required to maintain a minimum level of own funds and eligible liabilities, calculated as a percentage of their own funds and total liabilities. The percentage will be determined for each institution by the Relevant Resolution Authority (as defined in Condition 16 (*Statutory Write down or Conversion*)). This minimum level is known as the “minimum requirement for own funds and eligible liabilities” or “MREL” and is to be set in accordance with Article 45 of the BRRD and Commission Delegated Regulation (EU) 2016/1450 of May 23, 2016 published on September 3, 2016. Relevant Resolution Authorities may determine an appropriate transitional period to reach the final MREL.

On November 9, 2015, the Financial Stability Board proposed that G-SIBs (including the BNP Paribas Group) maintain significant amounts of liabilities that are subordinated (by law, contract or structurally) to certain priority liabilities, such as guaranteed or insured deposits and derivatives. These so-called “TLAC” (or “total loss absorbing capacity”) requirements are intended to ensure that losses are absorbed by shareholders and creditors, other than creditors in respect of priority liabilities, rather than being borne by government support systems. The TLAC requirement will impose a level of “Minimum TLAC” that will be determined individually for each G-SIB, and that will be at least equal to (i) 16% of risk-weighted assets beginning January 1, 2019, and 18% of risk-weighted assets beginning January 1, 2022, and (ii) 6% of the Basel III leverage ratio denominator beginning January 1, 2019, and 6.75% beginning January 1, 2022 (each of which could be extended by additional firm-specific requirements or buffer requirements). The TLAC requirements will, if adopted and implemented in France, apply in addition to capital requirements applicable to the BNP Paribas Group. The TLAC requirements may be adopted as part of the MREL requirements described above, or they may apply in addition to the MREL requirements.

The draft law *relatif à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*, adopted by the French parliament on November 9, 2016 (the “**Senior Non Preferred Law**”) has amended Article L.613-30-3 of the French Monetary and Financial Code to create a new ranking for “senior non preferred notes”. Pursuant to this amendment, Article L.613-30-3 of the French Monetary and Financial Code provides that debt securities, securities, that are “non structured” debt securities (to be defined in a further decree), issued by any French credit institution as from the date of entry into force of the Senior Non Preferred Law with a minimum maturity of one year and whose terms and conditions provide that their ranking is as set forth in paragraph 4° of Article L.613-30-3, shall rank junior to any other non-subordinated liability (including Senior Preferred Obligations) of such credit institution in a judicial liquidation proceeding. See Condition 2 (*Status of the Notes*).

### **New EU Banking Proposals**

On November 23, 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including CRD IV, CRR, BRRD and the Single Resolution Mechanism, the purpose of which is inter alia to better address long-term funding risk and excessive leverage, increase the loss-absorption capacity of globally significant institutions, better address market risks by increasing the risk sensitivity of the existing rules and increase convergence within the European Union in the area of insolvency law and restructuring proceedings, particularly through the introduction of a moratorium tool. The legislative proposals are subject to amendments by the European Parliament and Council prior to their entry into force, which is currently scheduled in 2019.

## TERMS AND CONDITIONS OF THE NOTES

*The following updates and supersedes in its entirety the section “Terms and Conditions of the Notes” in the Base Prospectus.*

*The following are the Terms and Conditions of the Notes that will be attached to or incorporated by reference into each Book-Entry Note and that will be endorsed upon each certificated Note. The applicable supplement prepared by, or on behalf of, the Issuer in relation to any Notes may specify other Terms and Conditions that shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace the following Terms and Conditions for the purposes of a specific issue of Notes. The applicable supplement will be incorporated into, or attached to, each Book-Entry Note and endorsed upon each certificated Note. Capitalized terms used in this section but not defined herein shall have the meanings assigned to them in the Fiscal and Paying Agency Agreement (as defined below) or in the applicable supplement unless the context otherwise requires or unless otherwise stated.*

This Note is one of a Series of the Notes (“**Notes**,” which expression shall mean (i) in relation to any Notes represented by a Book-Entry Note, units of the lowest specified denomination (“**Specified Denomination**”) in the Specified Currency of the relevant Notes, (ii) certificated Notes issued in exchange (or part exchange) for a Book-Entry Note and (iii) any Book-Entry Note) issued by BNP Paribas (the “**Issuer**”) subject to, and with the benefit of, an amended and restated fiscal and paying agency agreement (as it may be updated or supplemented from time to time, the “**Fiscal and Paying Agency Agreement**”) dated May 13, 2015, and made among the Issuer, the Guarantor and The Bank of New York Mellon, as fiscal and paying agent (the “**Fiscal and Paying Agent**”). The Issuer and certain of its affiliates maintain lines of credit or have other banking relationships with the Fiscal and Paying Agent in the ordinary course of business. The Fiscal and Paying Agent, any additional paying agent (each, a “**Paying Agent**” and, together with the Fiscal and Paying Agent, the “**Paying Agents**”) and the Calculation Agent are referred to together as the “**Agents**.”

As used in this section, “**Tranche**” means Notes that are identical in all respects, including as to listing, and “**Series**” means each original issue of Notes together with any further issues expressed to form a single series with the original issue that are denominated in the same currency and that have the same maturity date or redemption month, as the case may be, interest basis and interest payment dates, if any, and the terms of which, save for the issue date or interest commencement date and the issue price, are otherwise identical, including whether the Notes are listed, and the expressions “**Notes of the relevant Series**” and “**holders of Notes of the relevant Series**” and related expressions shall be construed accordingly.

To the extent the supplement for a particular Series of Notes specifies other Terms and Conditions that are in addition to, or inconsistent with, these Terms and Conditions, such new Terms and Conditions shall apply to such Series of Notes.

The holders for the time being of the Notes (“**Noteholders**”), which expression shall, in relation to any Notes represented by a Book-Entry Note, be construed as provided in Condition 1 (*Form, Denomination, Title and Transfer*) below, are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Fiscal and Paying Agency Agreement and the applicable supplement, which are binding on them. Certain statements in these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Fiscal and Paying Agency Agreement. Copies of the Fiscal and Paying Agency Agreement, and the supplement for the Notes of any Series, are available at the principal office of the Fiscal and Paying Agent.

Any reference herein to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system, including Euroclear France and the *Intermédiaires financiers habilités* authorized to maintain accounts therein (together, “**Euroclear France**”), approved by the Issuer and the Fiscal and Paying Agent.

## 1. Form, Denomination, Title and Transfer

### (a) *Form, Denomination and Title*

Unless otherwise specified in the applicable supplement, the Notes will be in book-entry form in the Specified Currency and Specified Denominations. Book-entry notes will trade only in book-entry form and will be issued in Global form to DTC, as described in the Fiscal and Paying Agency Agreement. The Note will be a Senior Preferred Note, a Senior Non Preferred Note, a Senior Preferred to Senior Non Preferred Note (optional conversion), a Senior Preferred to Senior Non Preferred Note (automatic conversion) or a Subordinated Note as indicated in the applicable supplement. This Note is, to the extent specified in the applicable supplement, a Fixed-Rate Note, a Floating-Rate Note, a Zero Coupon Note, a Linked Note, a Physical Delivery Note or a Dual Currency Note, or any appropriate combination thereof or, subject to all applicable laws and regulations, any other kind of Note specified in the applicable supplement. Whenever Dual Currency Notes or Linked Notes are issued to bear interest on a fixed- or floating-rate basis, or on a non-interest-bearing basis, the provisions in these Terms and Conditions relating to Fixed-Rate Notes, Floating-Rate Notes and Zero Coupon Notes, respectively, shall, where the context so admits, apply to such Dual Currency Notes or Linked Notes. Any reference in these Terms and Conditions to “**Physical Delivery Notes**” shall mean Notes in respect of which either an amount of principal and/or interest is payable by reference to an underlying equity, bond, security or other asset as may be specified in the applicable supplement (the “**Underlying Assets**”), and a “**Physical Delivery Amount**,” being the number of Underlying Assets plus or minus any amount due to or from the Noteholder in respect of each Note, is deliverable and/or payable, in each case, by reference to one or more Underlying Assets as the Issuer and the relevant Agents may agree and as set out in the applicable supplement.

The Issuer has appointed the Fiscal and Paying Agent at its office specified below to act as registrar of the Notes. The Issuer shall cause to be kept at the specified office of the Fiscal and Paying Agent for the time being at 101 Barclay Street, New York, New York a register (the “**Register**”) with respect to the Issuer on which shall be entered, among other things, the name and address of the holders of the registered Notes and particulars of all transfers of title to the Notes.

For so long as DTC or its nominee is the registered owner or holder of a global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such global Note for all purposes under the Fiscal and Paying Agency Agreement and the Notes, except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be.

### (b) *Transfers of Registered Notes*

#### (i) Transfers of interests in global Notes

Transfers of beneficial interests in global Notes will be effected by DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in certificated form or for a beneficial interest in another global Note only in the authorized denominations set out in the applicable supplement and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Fiscal and Paying Agency Agreement, including any required certifications.

(ii) Transfers of Notes in certificated form

Subject as provided in paragraph (v) below and to compliance with all applicable legal and regulatory restrictions, upon the terms and subject to the conditions set forth in the Fiscal and Paying Agency Agreement, including the transfer restrictions contained therein, a Note in certificated form may be transferred in whole or in part (in the authorized denominations set out in the applicable supplement). In order to effect any such transfer (A) the holder or holders must (1) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of a Paying Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (2) complete and deposit such other certifications specified in the Fiscal and Paying Agency Agreement and as may be required by such Paying Agent and (B) such Paying Agent must, after due and careful inquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Fiscal and Paying Agent may from time to time prescribe (the initial such regulations being set out in Schedule 5 to the Fiscal and Paying Agency Agreement). Subject as provided above, the Fiscal and Paying Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of such Paying Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Note in certificated form of a like aggregate nominal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of only part of a Note in certificated form, a new Note in certificated form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(iii) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 5 (*Redemption and Purchase*) below, the Issuer shall not be required to register the transfer of any Note, or part of a Note, called for partial redemption.

(iv) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular, uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(v) Exchanges and transfers of Notes generally

Holders of Notes in certificated form may exchange such Notes for interests in a global Note of the same type at any time, subject to compliance with all applicable legal and regulatory restrictions and upon the terms and subject to the conditions set forth in the Fiscal and Paying Agency Agreement.

## 2. Status of the Notes

(a) *Status (Senior Notes)*

“**Senior Notes**” may be Senior Preferred Notes or Senior Non Preferred Notes, as specified in the applicable supplement.

(i) *Status (Senior Preferred Notes)*

If the Notes are “**Senior Preferred Notes**”, the Notes will be Senior Preferred Obligations and constitute direct, unconditional, unsecured and senior obligations of the Issuer, and rank and will at all times rank:

- a) senior to Senior Non Preferred Obligations;
- b) *pari passu* among themselves and with other Senior Preferred Obligations; and
- c) junior to present and future claims benefiting from other preferred exceptions.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Notes rank (a) junior to present and future claims benefiting from other preferred exceptions, and (b) senior to any Senior Non Preferred Obligations.

(ii) *Status (Senior Non Preferred Notes)*

If the Notes are “**Senior Non Preferred Notes**”, the Notes will be Senior Non Preferred Obligations and constitute direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer, and rank and will at all times rank:

- a) senior to Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations;
- b) *pari passu* among themselves and with other Senior Non Preferred Obligations; and
- c) junior to present and future claims benefiting from preferred exceptions including Senior Preferred Obligations.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Non Preferred Notes rank :

- a) junior to Senior Preferred Obligations; and
- b) senior to any Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations.

(iii) If the Notes are “**Senior Preferred to Senior Non Preferred Notes (optional conversion)**”, the Notes will upon issue be Senior Preferred Notes but the Issuer may elect on giving not more than forty-five (45) nor less than fifteen (15) days’ notice to the Noteholders (in accordance with Condition 12) (which notice shall be irrevocable and shall specify the date fixed for such conversion (the “**Optional Conversion Date**”), to convert the Notes into Senior Non Preferred Notes.

(iv) If the Notes are “**Senior Preferred to Senior Non Preferred Notes (automatic conversion)**”, the Notes will upon issue be Senior Preferred Notes but the Notes will automatically be converted into Senior Non Preferred Notes on the date set out in the applicable supplement (the “**Automatic Conversion Date**”).

“**Ordinarily Subordinated Obligations**” means any subordinated obligations or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* among themselves, and constitute direct, unconditional, unsecured and subordinated obligations of the Issuer but in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”, i.e. engagements subordonnés de dernier rang*).

“**Senior Non Preferred Obligations**” means any senior (*chirographaires*) obligations of, or other instruments issued by, the Issuer, which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-4° of the French Monetary and Financial Code (including the Senior Non Preferred Notes).

“**Senior Preferred Obligations**” means any senior obligations of, or other instruments issued by, the Issuer, which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-3° of the French Monetary and Financial Code (including the Senior Preferred Notes).

For the avoidance of doubt, Unsubordinated Notes issued under the Program prior to the date of this Prospectus Supplement will constitute Senior Preferred Obligations.

(b) *Status (Subordinated Notes)*

Condition 2(b)(i) will apply in respect of the Subordinated Notes for so long as any Existing Subordinated Note is outstanding. Upon redemption or repurchase and cancellation of all of the Existing Subordinated Notes in whole (the “**Existing Subordinated Notes Redemption Event**”), Condition 2(b)(ii) will automatically replace and supersede Condition 2(b)(i) in respect of all outstanding Subordinated Notes without the need for any action from the Issuer.

(i) *Prior to the Existing Subordinated Notes Redemption Event.*

If the Notes are “**Subordinated Notes**”, the Notes will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank *pari passu* among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and ordinary subordinated indebtedness of the Issuer.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of the holders of the Subordinated Notes will be subordinated to the full payment of the unsubordinated creditors (including depositors) of the Issuer but, subject to such payment in full, such holders of Subordinated Notes will be paid in priority to *prêts participatifs* granted to the Issuer *titres participatifs* issued by the Issuer and any Undated Deeply Subordinated Notes (as defined herein) (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*) issued by the Issuer. The Subordinated Notes of the Issuer are issued pursuant to the provisions of Article L.228-97 of the French Commerce Code.

(ii) *As from the Existing Subordinated Notes Redemption Event.*

If the Notes are “**Subordinated Notes**”, the Notes will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank *pari passu* among themselves and *pari passu* with:

- a) any obligations or instruments of the Issuer which constitute Tier 2 Capital; and
- b) any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Notes.



Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of a holder of the Subordinated Notes will be (a) subordinated to the full payment of (i) the unsubordinated creditors of the Issuer and (ii) the Eligible Creditors of the Issuer; and (b) will be paid in priority to any *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*obligations dites "super subordonnées" i.e. engagements subordonnés de dernier rang*). The Subordinated Notes of the Issuer are issued pursuant to the provisions of Article L.228-97 of the French Commerce Code.

**"Eligible Creditors"** shall mean creditors holding subordinated claims that rank or are expressed to rank senior to the Subordinated Notes.

**"Existing Subordinated Notes"** shall mean the series listed below, *provided that* should any such series be amended in any way which would result in allowing the Issuer to issue Subordinated Notes ranking senior to such given series, then such series would be deemed to no longer constitute an Existing Subordinated Note.

ISIN Code:

XS0111271267  
XS0123523440  
XS0142073419  
XS0152588298  
XS0214573023  
FR0010203240  
FR0010517334  
XS0320303943  
XS0354181058  
FR0000572646  
XS1120649584  
US05579T5G71  
XS1046827405

**"Undated Deeply Subordinated Notes"** means the direct, unconditional, unsecured and subordinated obligations of the Issuer which rank *pari passu* among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and deeply subordinated indebtedness of the Issuer and have no fixed maturity date.

(c) *Waiver of set-off*

Unless otherwise specified in the applicable supplement, no Noteholder may at any time exercise or claim any Waived Set-Off Rights (as defined below) against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to such Note) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights (as defined below) to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 2(c) is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 2(c).

For the purposes of this Condition 2(c), **"Waived Set-Off Rights"** means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

### 3. Interest

(a) *Interest on Fixed-Rate Notes*

(i) Each Fixed-Rate Note bears interest on its nominal amount, or if it is a partly paid Note, the amount paid up, from, and including, the interest commencement date at the rates per annum equal to the fixed rates of interest payable in arrears on the fixed interest dates in each year and on the maturity date. The first payment of interest will be made on the fixed interest date next following the interest commencement date and, if the first anniversary of the interest commencement date is not a fixed interest date, will amount to the initial broken amount specified in the applicable supplement. If the maturity date is not a fixed interest date, interest from and including the preceding fixed interest date, or the interest commencement date, to the maturity date will amount to the final broken amount. Except as provided in the applicable supplement, the amount of interest payable on each fixed interest date in respect of the fixed interest period ending on such date will amount to the fixed coupon amount.

(ii) If interest is required to be calculated for a period ending other than on a fixed interest date, such interest shall be calculated by applying the fixed rate of interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resulting figure to the nearest Sub-Unit of the relevant Specified Currency, half of any such Sub-Unit being rounded upwards or otherwise in accordance with applicable market convention.

(iii) “**Day Count Fraction**” means, in respect of the calculation of an amount of interest for any Fixed Interest Period:

(A) if “*Actual/Actual (ICMA)*” is specified in the applicable supplement:

(1) in the case of Notes for which the number of days in the relevant period from, and including, the most recent fixed interest date, or, if none, the interest commencement date, to, but excluding, the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates, as specified in the applicable supplement, that would occur in one calendar year; or

(2) in the case of Notes for which the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(a) the number of days in the Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates, as set forth in the applicable supplement, that would occur in one calendar year; and

(b) the number of days in the Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in that Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) if “*30/360*” is specified in the applicable supplement, the number of days in the period from and including the most recent fixed interest date, or, if none, the

interest commencement date, to, but excluding, the relevant payment date (such number of days being calculated on the basis of twelve 30-day months) divided by 360.

(iv) The supplement, in relation to each Series of Notes in relation to which this paragraph 3(a) is specified as being applicable, shall set forth which of the following Business Day Conventions shall be applicable.

- (A) If the “*Following Business Day Convention*” is specified in the applicable supplement, interest shall be payable in arrears on the fixed interest dates set forth in the applicable supplement; provided that, if any fixed interest date would otherwise fall on a date that is not a Business Day, the relevant fixed interest date will be the first following day that is a Business Day.
- (B) If the “*Modified Following Business Day Convention*” is specified in the applicable supplement, interest shall be payable in arrears on such fixed interest dates as are set forth in the applicable supplement; provided that, if any fixed interest date would otherwise fall on a date that is not a Business Day, the relevant fixed interest date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case the relevant fixed interest date will be the first preceding day that is a Business Day.
- (C) Such other convention may be specified in the applicable supplement.

In this paragraph 3(a):

- (1) “**Business Day**” means a day that is both:
  - (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in New York City; and
  - (b) in relation to any sum payable in a Specified Currency other than U.S. dollars, a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in the principal financial center of the country of the relevant Specified Currency, as specified in the applicable supplement.
- (2) “**Determination Dates**” means the dates set forth in the applicable supplement.
- (3) “**Determination Period**” means each period from, and including, a Determination Date to, but excluding, the next Determination Date, including, if either the interest commencement date or the final fixed interest date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date.
- (4) “**Fixed Interest Period**” means the period from, and including, a fixed interest date, or the interest commencement date, to, but excluding, the next, or first, fixed interest date.
- (5) “**Sub-unit**” means, with respect to any currency other than the U.S. dollar, the lowest amount of that currency available as legal tender in the country of that currency and, with respect to the U.S. dollar, means one cent.

(b) *Interest on Floating-Rate Notes*

(i) Interest Payment Dates

The supplement, in relation to each Series of Notes in relation to which this paragraph 3(b) is specified as being applicable, shall set forth which of the following Business Day Conventions shall be applicable.

- (A) If the “*FRN Convention*” is specified in the applicable supplement, interest shall be payable in arrears on each date (each an “**Interest Payment Date**”) that numerically corresponds to their issue date or such other date as may be set forth in the applicable supplement or, as the case may be, the preceding Interest Payment Date, in the calendar month that is the number of months specified in the applicable supplement after the month in which such issue date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred; provided that:
- (1) if there is no such numerically corresponding day in the calendar month on which an Interest Payment Date should occur, then the relevant Interest Payment Date will be the last day that is a Business Day (as defined below) in that month;
  - (2) if an Interest Payment Date would otherwise fall on a day that is not a Business Day, then the relevant Interest Payment Date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day that is a Business Day; and
  - (3) if such issue date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred on the last day in a calendar month which was a Business Day, then all subsequent Interest Payment Dates will be the last day that is a Business Day in the month that is the specified number of months after the month in which such Issue Date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred.
- (B) If the “*Following Business Day Convention*” is specified in the applicable supplement, interest shall be payable in arrears on such dates (each an “**Interest Payment Date**”) as are set forth in the applicable supplement; provided that, if any Interest Payment Date would otherwise fall on a date that is not a Business Day, the relevant Interest Payment Date will be the first following day that is a Business Day.
- (C) If the “*Modified Following Business Day Convention*” is specified in the applicable supplement, interest shall be payable in arrears on such dates (each an “**Interest Payment Date**”) as are set forth in the applicable supplement; provided that, if any Interest Payment Date would otherwise fall on a date that is not a Business Day, the relevant Interest Payment Date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case the relevant Interest Payment Date will be the first preceding day that is a Business Day.
- (D) Such other convention may be specified in the applicable supplement.

Each period beginning on, and including, such Issue Date or such other date as aforesaid and ending on, but excluding, the first Interest Payment Date and each period beginning on, and including, an Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date is herein called an “Interest Period.”

In this paragraph 3(b), “**Business Day**” means a day that is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in New York City; and
- (b) (1) in relation to any sum payable in a Specified Currency other than U.S. dollars, a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in the principal financial center of the country of the relevant Specified Currency, as specified in the applicable supplement, (2) with respect to any Floating-Rate Note for which LIBOR is an applicable base rate, a London Business Day, and (3) with respect to any Floating-Rate Note for which EURIBOR is an applicable base rate, a day, other than a Saturday or a Sunday, on which commercial banks are open for business in the city of Brussels.

(ii) Rate of Interest

The “**Rate of Interest**” payable from time to time in respect of Floating-Rate Notes will be determined in the manner specified in the applicable supplement, which may be “ISDA Determination,” “FBF Determination” or “Screen Rate Determination,” as described below.

(iii) ISDA Determination

Where “*ISDA Determination*” is specified in the applicable supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus, as indicated in the applicable supplement, the margin, if any. For the purposes of this subparagraph (iii), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as “Calculation Agent” as defined in this sub-paragraph (iii) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as of the Issue Date of the first Series of the Notes (the “**ISDA Definitions**”) and under which:

- (A) the Floating-Rate Option is as specified in the applicable supplement;
- (B) the Designated Maturity is a period specified in the applicable supplement; and
- (C) the relevant Reset Date is either (i) if the applicable Floating-Rate Option is based on the London inter-bank offered rate (“**LIBOR**”) or on the Euro zone inter-bank offered rate (“**EURIBOR**”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable supplement.

For the purposes of this sub-paragraph (iii), “Floating Rate,” “Calculation Agent,” “Floating-Rate Option,” “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

(iv) FBF Determination

Where so specified in the applicable supplement, interest will be payable on such dates, at such a rate (the “**FBF Rate**”) and in such amounts, plus or minus, as set forth in the applicable supplement, the margin, if any, as would have been payable, regardless of any event of default or termination event thereunder, by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to transactions on forward financial instruments (an “**FBF Agreement**”), as in effect on the date of issue of the Notes, published by the *Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the FBF Agreement) with the holder of the relevant Note under which:

- (A) the Issuer was the floating amount payer;
- (B) the Calculation Agent was the Agent (as defined in the FBF Agreement) or as otherwise specified in the applicable supplement;
- (C) the interest commencement date was the transaction date;
- (D) the lowest Specified Denomination was the notional amount;
- (E) the Interest Payment Dates were the floating amount payment dates; and
- (F) all other terms were as specified in the applicable supplement.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

- (1) the amount of interest determined for such Interest Payment Date will be the Interest Amount (as defined herein) for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under sub-paragraph (vi) below;
- (2) the Rate of Interest for such Interest Period will be the floating rate (as defined in the FBF Agreement) determined by the Calculation Agent in accordance with the preceding sentence; and
- (3) the Calculation Agent will be deemed to have discharged its obligations under sub-paragraph (vi) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(v) Screen Rate Determination

Where “*Screen Rate Determination*” is specified in the applicable supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean, rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards, of the offered quotations,

(expressed as a percentage rate per annum) for the reference rate or rates that appears or appear, as the case may be, on the relevant screen page as at 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 plus or minus, as indicated in the applicable supplement, the margin, if any, all 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, rounded as provided above, of such offered quotations.

The Fiscal and Paying Agency Agreement contains provisions for the Calculation Agent determining the Rate of Interest in the event that the relevant screen page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph. The applicable supplement may, if agreed by the relevant Agents, set out such provisions in full.

If the reference rate from time to time in respect of Floating-Rate Notes is specified in the applicable supplement as being other than LIBOR or EURIBOR, the rate of interest in respect of such Notes will be determined as provided in the applicable supplement.

(vi) Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, on or as soon as practicable after each date on which the rate of interest is to be determined (the “**Interest Determination Date**”), determine the rate of interest, subject to any minimum or maximum rate of interest specified in the applicable supplement, and calculate the amount of interest (the “**Interest Amount**”) payable on the Floating-Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the rate of interest to the Specified Denomination, or if there is more than one, the lowest Specified Denomination, multiplying such sum by the Day Count Fraction (as defined herein) specified in the applicable supplement and rounding the resulting figure to the nearest sub-unit of the relevant Specified Currency, one half of such a Sub-Unit being rounded upwards or otherwise in accordance with applicable market convention.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest for any Interest Period:

- (A) if “*Actual/365*” or “*Actual/Actual ISDA*” is specified in the applicable supplement, the actual number of days in the Interest Period divided by 365, or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365;
- (B) if “*Act/Act*” or “*Actual/Actual*” is specified in the applicable supplement, the actual number of days in the Interest Period divided by the actual number of days in the year in which such Interest Period falls;
- (C) if “*Actual/365 (Fixed)*” is specified in the applicable supplement, the actual number of days in the Interest Period divided by 365;
- (D) if “*Actual/365 (sterling)*” is specified in the applicable supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (E) if “*Actual/360*” is specified in the applicable supplement, the actual number of days in the Interest Period divided by 360;
- (F) if “*30/360*,” “*360/360*” or “*Bond Basis*” is specified in the applicable supplement, the number of days in the Interest Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve

30-day months, unless (1) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (2) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month; and

- (G) if “30E/360” or “Eurobond Basis” is specified in the applicable supplement, the number of days in the Interest Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the maturity date, the maturity date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month.

(vii) Minimum and/or Maximum Interest Rate

If the applicable supplement specifies a Minimum Interest Rate for any Interest Period, then, in the event that the rate of interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii), (iii), (iv) or (v) above, as appropriate, is less than such Minimum Interest Rate, the rate of interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable supplement specifies a Maximum Interest Rate for any Interest Period, then, in the event that the rate of interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii), (iii), (iv) or (v) above, as appropriate, is greater than such Maximum Interest Rate, the rate of interest for such Interest Period shall be such Maximum Interest Rate.

(viii) Calculation Agent; Notification of Rate of Interest and Interest Amount

Unless otherwise provided, the Calculation Agent as defined in the applicable supplement will make all calculations and determinations described in this paragraph 3. Upon notice from the Calculation Agent, the Fiscal and Paying Agent will cause the rate of interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, and, for as long as the Notes are represented by a global Note, the Fiscal and Paying Agent shall notify DTC, Euroclear or Clearstream, Luxembourg, to the extent required by such relevant payment system and in accordance with “Notices,” paragraph 12 below, as soon as practicable after determination and notice thereof from the Calculation Agent of the rate of interest, each Interest Amount and Interest Payment Date, but in no event later than the fourth Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended, or appropriate alternative arrangements made by way of adjustment, in the event of an extension or shortening of the Interest Period. Any such amendment will be notified promptly to each stock exchange on which the relevant Floating-Rate Notes are for the time being listed and to the Noteholders in accordance with “Notices,” paragraph 12 below. For the purposes of this sub-paragraph (viii), “Business Day” means a day, other than a Saturday or a Sunday, on which commercial banks are open for business in New York.

(ix) Certificates to be Final

All certificates, communications, determinations, calculations and decisions made for the purposes of the provisions of this paragraph 3(b) by the Fiscal and Paying Agent or, if applicable, the Calculation Agent, shall, in the absence of gross negligence or willful misconduct, be binding on the Issuer, the Fiscal and Paying Agent or, if applicable, the Calculation Agent and all Noteholders, and, in the absence as aforesaid, no liability to the Noteholders shall attach to the Fiscal and Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.



(c) *Zero Coupon Notes*

Where a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the amount determined in accordance with “Redemption and Repurchase—Early Redemption Amounts” below, as its Amortized Face Amount (as defined in paragraph 5(g)). As from the maturity date, any overdue principal of such Note shall bear interest at a rate per annum equal to the accrual yield specified in the applicable supplement. Such interest shall continue to accrue, as well after as before any judgment, until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note. Such interest will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month the actual number of days elapsed in that incomplete month or on such other basis as may be specified in the applicable supplement.

(d) *Interest on Linked Notes and Physical Delivery Notes*

In the case of Linked Notes and Physical Delivery Notes, if applicable, where the rate of interest and/or the amount of interest, whether on any Interest Payment Date, fixed interest date, early redemption, maturity or otherwise, fails to be determined by reference to the index and/or the formula and/or otherwise, the rate of interest and/or the amount of interest shall be determined in accordance with the index and/or the formula or otherwise in the manner specified in the applicable supplement.

(e) *Interest on Partly Paid Notes*

In the case of partly paid notes (“**Partly Paid Notes**”), other than Partly Paid Notes that are Zero Coupon Notes, interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable supplement.

(f) *Interest Payments*

Interest will be paid subject to and in accordance with the provisions of “Payments” below. Interest will cease to accrue on each Note, or, in the case of the redemption only of part of a Note, that part only of such Note, on the due date for redemption thereof unless payment of principal or the payment and/or delivery of the Physical Delivery Amount, if applicable, is improperly withheld or refused, in which event interest will continue to accrue, as well after as before any judgment, until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note and (ii) the day on which the Fiscal and Paying Agent has notified the holder thereof, either in accordance with “Notices,” paragraph 12 below, or individually, of receipt of all sums due in respect thereof up to that date.

#### **4. Payments**

For the purposes of this paragraph 4, references to payment or repayment, as the case may be, of principal and/or interest and other similar expressions shall, where the context so admits, be deemed also to refer to delivery of any Physical Delivery Amounts.

Payments shall be deposited with the Fiscal and Paying Agent no later than 10:00 a.m. (New York City time) on the second New York Business Day immediately preceding the date on which any payment is to be made, or, in the case of (x) Notes denominated in Yen, two (2) New York Business Days before such date, or (y) Notes for which the Paying Agent is specified as the Bank of New York Mellon, London Branch, one (1) London Business Day before such date to the account specified by the Fiscal and Paying Agent, whereafter the Fiscal and Paying Agent shall receive a payment confirmation from the paying bank of the Issuer.

(a) *Method of Payment*

Payments of principal, other than installments of principal prior to the final installment, in respect of each Note, whether or not in global form, will be made against presentation and surrender, or, in the case of part payment of any sum due, endorsement, of the Note at the specified office of any Paying Agent. Such payments will be made

by transfer to the Designated Account (as defined below) of the holder, or the first named of joint holders, of the Note appearing in the register of holders of the Notes maintained by the Fiscal and Paying Agent, (i) where in global form, no later than at the close of the business day (being for this purpose a day on which DTC, Euroclear or Clearstream/Luxembourg, as applicable, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day, being for this purpose a day on which banks are open for business in the city where the specified office of such Paying Agent is located, before the relevant due date (in either case, the “**Record Date**”). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a check in the Specified Currency drawn on a Designated Bank (as defined below). For the purposes of this paragraph 4(a), “**Designated Account**” means the account that, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account, maintained by a holder with a Designated Bank and identified as such in the Register, and “**Designated Bank**” means, in the case of payment in a Specified Currency other than U.S. dollars, a bank in the principal financial center of the country of such Specified Currency and, in the case of a payment in U.S. dollars, any bank that processes payments in U.S. dollars.

Payments of interest and payments of installments of principal, other than the final installment, in respect of each Note, will be made in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of such Paying Agent is located immediately preceding the relevant due date to the holder, or the first named of joint holders, of the Note appearing in the Register, (i) by wire where in global form, no later than the close of the business day (being for this purpose a day on which DTC, Euroclear or Clearstream/Luxembourg, as applicable, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day, whether such fifteenth day is a business day, before the payment date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of any Paying Agent not less than three business days, in the city where the specified office of such Paying Agent is located, before the due date for any payment of interest in respect of a Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest, other than interest due on redemption, and installments of principal, other than the final installment, in respect of the Notes that become payable to the holder who has made the initial application until such time as the Fiscal and Paying Agent is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Note on redemption and the final installment of principal will be made in the same manner as payment of the principal amount of such Note.

Holders of Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note as a result of delays by the relevant clearing system. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Notes.

Neither the Issuer, the Guarantor nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal and interest, if any, in respect of certificated Notes will, subject as provided below, be made against presentation or surrender of such certificated Notes at any specified office of any Paying Agent. Payments of principal in respect of installments, if any, other than the last installment, will, subject as provided below, be made against surrender of the relevant receipt. Payment of the last installment will be made against surrender of the relevant certificated Note. Each receipt must be presented for payment of such installment together with the relevant certificated Note against which the amount will be payable in respect of that installment. If any certificated Notes are redeemed or become repayable prior to their respective maturity dates, or the Interest Payment Date falling in the redemption month in respect thereof, as the case may be, principal will be payable on surrender of each such Note together with all unmatured receipts appertaining thereto. Unmatured receipts and receipts presented without the certificated Notes to which they appertain do not constitute obligations of the Issuer. All payments of interest and principal with respect to certificated Notes will be made only against presentation and surrender of the relevant certificated Notes or receipts, except as otherwise provided in the third succeeding paragraph.

Subject as provided below and, in the case of Physical Delivery Notes, subject also as provided in the applicable supplement, payments in respect of certificated Notes, other than Dual Currency Notes, denominated in a Specified Currency, other than U.S. dollars, or, in the case of Dual Currency Notes, payable in a Specified Currency, other than U.S. dollars, will, subject as provided below, be made by a check in the Specified Currency drawn on or, at the option of the holder and upon 15 days prior notice to the Fiscal and Paying Agent, by transfer to an account; in the case of payment in yen, to a non-resident of Japan, a non-resident account, in the Specified Currency maintained by the payee with, a bank in the principal financial center of the country of the Specified Currency. Payments in U.S. dollars will be made by credit or transfer to a U.S. dollar account or any other account to which U.S. dollars may be credited or transferred specified by the payee or, at the option of the payee, by a check in U.S. dollars. The applicable supplement may also contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any Noteholder, including, without limitation, unlawfulness, illegality, impossibility, force majeure, non-transferability or the like (each a “**Payment Disruption Event**”), the Issuer is not able to make, or any Noteholder is not able to receive, as the case may be, payment on the due date and in the Specified Currency of any amount of principal or interest due under the Notes.

In the case of Physical Delivery Notes that are settled by way of delivery, on the due date for redemption, the Issuer shall deliver, or procure the delivery of, the documents evidencing the number of and/or constituting the Underlying Assets plus or minus any amount due to or from the Noteholder deliverable in respect of each Note (the “**Physical Delivery Amount**”) to, or to the order of, the Noteholder in accordance with the instructions of the Noteholder contained in the Transfer Notice (as defined below). The Physical Delivery Amount shall be evidenced in the manner described in the applicable supplement. The applicable supplement may also contain provisions for variation of settlement pursuant to an option to such effect or where the Issuer or the holder of a Physical Delivery Note, as the case may be, is not able to deliver or take delivery of as the case may be, the Underlying Assets, or where a Settlement Disruption Event, as described in the applicable supplement has occurred, all as provided in the applicable supplement.

Payments of principal and interest, if any, in respect of Notes represented by any global Note will be made in the manner specified above and otherwise in the manner specified in the relevant global Note against presentation or surrender, as the case may be, of such global Note at the specified office of any Paying Agent. A record of each payment made on such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by the Paying Agent to which such global Note is presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

The registered holder of the relevant global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note, and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes must look solely to DTC, Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment so made by the Issuer to the holder of the relevant global Note. No person other than the holder of the relevant global Note shall have any claim against the Issuer in respect of any payments due on that global Note.

Fixed-Rate Notes in certificated form should be presented for payment on or before the relevant redemption date.

If any date for payment of any amount in respect of any Note is not a Payment Day (as defined herein), then the holder thereof shall not be entitled to payment of the amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay.

For these purposes, “**Payment Day**” means any day that, subject to “**Prescription**”, paragraph 9 below, is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in:

(A) the relevant place of presentation;

(B) any additional financial center specified in the applicable supplement; and

(ii) either (A) in relation to any sum payable in a Specified Currency other than the U.S. dollar, a day on which commercial banks and foreign exchange markets settle payments and are open for general business, including dealing in foreign exchange and foreign currency deposits, in the principal financial center of the country of the relevant Specified Currency, as set forth in the applicable supplement, or (B) in relation to any sum payable in U.S. dollars, a day on which the Federal Reserve System is open.

If the due date for redemption of any interest bearing Note in certificated form is not a due date for the payment of interest relating thereto, interest accrued in respect of such Note from and including the last preceding due date for the payment of interest, or from the interest commencement date, will be paid against surrender of such Note.

The name of the Fiscal and Paying Agent and its initial specified offices are set out below in “Agents,” paragraph 14 below. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal and Paying Agent and to appoint additional or other Fiscal and Paying Agents or Paying Agents, including, in each case, the Guarantor or an affiliate of the Issuer, and/or to approve any change in the specified office of any Paying Agent, provided that there will at all times be a Fiscal and Paying Agent.

In addition, the Issuer shall immediately appoint a Paying Agent having a specified office in New York City in the circumstances described in the paragraph immediately above. Any variation, termination, appointment or change shall only take effect, other than in the case of insolvency, when it shall be of immediate effect, after not less than 30 nor more than 45 days prior notice shall have been given to the Noteholders in accordance with “Notices,” paragraph 12 below.

Payments in respect of the Notes will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

(b) *Physical Delivery Notes*

The applicable supplement will contain provisions relating to the procedure for the delivery of any Physical Delivery Amount in respect of Physical Delivery Notes, including, without limitation, liability for the costs of transfer of Underlying Assets.

The Underlying Assets will be delivered at the risk of the relevant Noteholder in such manner as may be specified in the transfer notice pursuant to which such Underlying Assets are delivered (the “**Transfer Notice**,” the form of which is annexed to the Fiscal and Paying Agency Agreement) and, notwithstanding the provisions of “Interest—Interest Payments” above, no additional payment or delivery will be due to a Noteholder where any Underlying Assets are delivered after their due date in circumstances beyond the control of either the Issuer or the Fiscal and Paying Agent.

## **5. Redemption and Purchase**

(a) *Final Redemption*

Unless previously redeemed or purchased and cancelled as provided below, Notes will be redeemed by the Issuer at their final redemption amount, or, in the case only of Physical Delivery Notes where the applicable supplement specifies that such Notes will be redeemed by payment and/or delivery of a Physical Delivery Amount, by the payment and the delivery of the Physical Delivery Amount, specified in, or determined in the manner specified in, the applicable supplement in the Specified Currency on the Maturity Date specified in the applicable supplement, in the case of Notes that are not Floating-Rate Notes, or on the Interest Payment Date falling in the redemption month specified in the applicable supplement, in the case of Floating-Rate Notes. Notes may not be redeemed other than in accordance with these Terms and Conditions.

(b) *Redemption for Taxation Reasons*

(i) If as a result of any change in, or in the official interpretation or administration of, any laws or regulations of France or any other authority thereof or therein the Issuer or the Guarantor would be required to pay additional amounts in respect of the Notes or Guarantees, as provided in paragraph 6 (a “**Withholding Tax Event**”), then the Issuer may at its option at any time (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) but subject, in the case of Subordinated Notes, to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below, on giving not more than 45 nor less than 30 days notice to the Noteholders (in accordance with “Notices,” paragraph 12 below) which notice shall be irrevocable, redeem all, but not less than all, of the Notes as to which the condition set forth above applies at their Early Redemption Amount (as defined below) together with interest accrued to the date fixed for redemption, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date upon which the Issuer or the Guarantor, as the case may be, could make payment without withholding for such taxes.

(ii) If the Issuer or the Guarantor would, on the next due date for payment of any amount in respect of the Notes or Guarantees, be prevented by French law from making such payment notwithstanding the undertaking to pay additional amounts as provided in paragraph 6 (a “**Gross-up Event**”), then the Issuer upon prior notice of such fact to the Fiscal and Paying Agent may at any time (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) but subject, in the case of Subordinated Notes, to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below, redeem all, but not less than all, of the Notes then outstanding as to which the condition set forth above of shall apply at their Early Redemption Amount (as defined below) together with interest accrued to the date fixed for redemption, upon giving not less than 7 nor more than 45 days prior notice to the Noteholders (in accordance with “Notices,” paragraph 12 below), provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount of interest payable in respect of the Notes or, if such date is already past, as soon as practicable thereafter.

(c) *Redemption at the Option of the Issuer (“Issuer Call”)*

If “*Issuer Call*” is specified in the applicable supplement, the Issuer may, subject in the case of Subordinated Notes, to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below, having given, unless otherwise specified in connection with a particular offering of Notes:

(i) not less than 5 nor more than 30 days notice to the Noteholders in accordance with “Notices,” paragraph 12 below, or as otherwise specified in the applicable supplement; and

(ii) not less than 5 days before the giving of the notice referred to in (i), notice to the Fiscal and Paying Agent;

which notices shall be irrevocable and shall specify the date fixed for redemption, redeem all or some of the Notes then outstanding on any optional redemption date and at the optional redemption amounts specified in, or determined in the manner specified in, the applicable supplement together, if appropriate, with interest accrued to, but excluding, the relevant optional redemption date. Any such redemption must be of a nominal amount equal to the minimum redemption amount or a higher redemption amount. In the case of a partial redemption of Notes, the Notes to be redeemed (the “**Redeemed Notes**”) will be selected individually by lot, in the case of Redeemed Notes represented by certificated Notes, and in accordance with the rules of DTC, Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection the “**Selection Date**”). In the case of Redeemed Notes represented by certificated Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with “Notices,” paragraph 12 below, not less than 5 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by certificated Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of certificated Notes outstanding bears to

the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from, and including, the Selection Date to, and including, the date fixed for redemption pursuant to this paragraph (c), and notice to that effect shall be given by the Issuer to the Noteholders in accordance with “Notices,” paragraph 12 below, at least 5 days prior to the Selection Date.

In the case of Subordinated Notes, no redemption at the option of the Issuer will be permitted prior to five (5) years from the date of issue thereof, except as described in subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below.

(d) *Redemption at the Option of the Noteholders (“Noteholder Put”)*

In the case of Subordinated Notes, no redemption of the Notes at the option of the Noteholder is permitted. If “*Noteholder Put*” is specified in the applicable supplement, and provided that this Note is not a Subordinated Note, upon the holder of any Note giving to the Issuer in accordance with “Notices,” paragraph 12 below, not less than 15 nor more than 30 days notice, the Issuer will, upon the expiration of such notice, redeem, subject to and in accordance with the terms specified in the applicable supplement, in whole, but not in part, such Note on the optional redemption date and at the optional redemption amount together, if appropriate, with interest accrued to, but excluding, the optional redemption date.

If a Note is in certificated form and held outside DTC, Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of such Note the holder of such Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form obtainable from any specified office of any Paying Agent (a “**Put Notice**”) and in which the holder must specify a bank account, or, if payment is required to be made by check, an address, to which payment is to be made under this paragraph 5, accompanied by the Note or evidence satisfactory to the Paying Agent concerned that the Note will, following delivery of the Put Notice, be held to its order or under its control. If the Note is represented by a global Note or is in certificated form and held through DTC, Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of such Note the holder of the Note must, within the notice period, give notice to the Paying Agent of such exercise in accordance with the standard procedures of DTC, Euroclear and Clearstream, Luxembourg, which may include notice being given on his instruction by DTC, Euroclear or Clearstream, Luxembourg or any common depository for them to the Paying Agent by electronic means, in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg from time to time and, if a Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Paying Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except if prior to the due date of redemption an Event of Default shall have occurred and be continuing, in which event such holder, at his option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph 5 and instead to declare such Note forthwith due and payable pursuant to “Events of Default—Enforcement” below.

(e) *Optional Redemption of Subordinated Notes upon the occurrence of a Capital Event*

Upon the occurrence of a Capital Event (as defined below), the Issuer may (at its option but subject to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below) at any time subject to having given no less than thirty (30) nor more than forty five (45) calendar days’ notice to the Noteholders in accordance with “Notices,” paragraph 12 below (which notice shall be irrevocable), redeem the Subordinated Notes in whole, but not in part, at their Early Redemption Amount, together with all interest accrued to the date fixed for redemption.

“**Capital Event**” means the determination by the Issuer, that as a result of a change in the Relevant Rules becoming effective on or after the Issue Date of the relevant Series of Subordinated Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of the relevant Series of Subordinated Notes, it is likely that

all or part of the aggregate outstanding nominal amount of the Subordinated Notes will be excluded from the own funds of the Group or reclassified as a lower quality form of own funds of the Group.

“**CRD IV**” means the Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as published in the Official Journal of the European Union on June 27, 2013, as amended from time to time or such other directive as may come into effect in place thereof.

“**CRR**” means the Regulation (EU) No 2013/575 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms, as published in the Official Journal of the European Union on June 27, 2013, as amended from time to time or such other directive as may come into effect in place thereof.

“**CRD IV Implementing Measures**” means any regulatory capital rules implementing the CRD IV or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Relevant Regulator, which are applicable to the Issuer and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer.

“**CRD IV Rules**” means any or any combination of the CRD IV, the CRR and any CRD IV Implementing Measures.

“**Relevant Regulator**” means the European Central Bank and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer or the application of the Relevant Rules to the Issuer.

“**Relevant Rules**” means at any time the laws, regulations, requirements, guidelines and policies of the Relevant Regulator relating to capital adequacy applicable to the Issuer from time to time including, for the avoidance of doubt, applicable rules contained in, or implementing the CRD IV Rules and/or the BBRD.

“**BBRD**” means the Directive 2014/59/EU of the European Parliament and of the Council of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms as published in the Official Journal of the European Union on June 12, 2014 as amended from time to time or such other directive as may come into effect in place thereof.

“**Tier 2 Capital**” has the meaning given to it (or, if no longer used, any equivalent or successor term) in the Relevant Rules.

(f) *Optional Redemption of Subordinated Notes upon the occurrence of a Tax Deduction Event*

If by reason of any change in the French laws or regulations, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations becoming effective on or after the Issue Date of the relevant Series of Subordinated Notes, the tax regime applicable to any interest payment under the Subordinated Notes is modified and such modification results in the amount of the interest payable by the Issuer under the Subordinated Notes that is tax-deductible by the Issuer for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes being reduced (a “**Tax Deduction Event**”), the Issuer may, subject to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below, at its option, at any time, subject to having given no less than thirty (30) nor more than forty five (45) calendar days’ notice to the Fiscal and Paying Agent and the Noteholders (in accordance with “Notices,” paragraph 12 below) redeem all, and not some only, of the relevant Series of Subordinated Notes then outstanding at their Early Redemption Amount together with accrued interest (if any) thereon, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes to the same extent as it was on the Issue Date of the relevant Series of Subordinated Notes.

(g) *Early Redemption Amounts*

For the purposes of paragraph 5(b) above and “Events of Default—Enforcement” below, the Notes will be redeemed at an amount (the “**Early Redemption Amount**”) calculated as follows, together, if appropriate, with interest accrued to, but excluding, the date fixed for redemption or, as the case may be, the date upon which such Note becomes due and repayable:

- (i) in the case of Notes with a final redemption amount equal to its nominal amount, at the final redemption amount thereof; or
- (ii) in the case of Notes, other than Zero Coupon Notes, with a final redemption amount that is or may be lesser or greater than the issue price or which is payable in a Specified Currency other than that in which the Notes are denominated, at :
  - (A) the applicable percentage of the Calculation Amount specified in the applicable supplement; or
  - (B) if “*Market Value less Costs*” is specified in the applicable supplement, at the fair market value of such Note less associated costs; or
  - (C) if “*Max of Calculation Amount Percentage and Market Value less Costs*” is specified in the applicable supplement, at the greater of the applicable percentage of the Calculation Amount specified in the applicable supplement and the fair market value of such Note less associated costs; or
  - (D) if “*Max of Amortized Amount and Market Value less Costs*” is specified in the applicable supplement, at the greater of (i) the fair market value of such Note less associated costs and (ii) an amount (the “**Amortized Amount**”) equal to the sum of:
    - (x) the Reference Price specified in the applicable supplement; and
    - (y) the product of the Accrual Yield specified in the applicable supplement (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month or such other calculation basis as may be specified in the applicable supplement;

Each of (A) to (D) above, a “**Calculation Method**”.

The applicable supplement may specify that the Calculation Method applicable to the Early Redemption Amount due pursuant to Condition 5(b) (*Redemption for Taxation Reasons*) may differ from the Calculation Method applicable to the Early Redemption Amount due pursuant to Condition 8(a) (*Events of Default*). Unless specified in the applicable supplement, the same Calculation Method shall apply in respect of the Early Redemption Amount due pursuant to Condition 5(b) (*Redemption for Taxation Reasons*) and Condition 8(a) (*Events of Default*).



In addition, in the case of sub-paragraphs (A) and (C) above, the supplement may specify different percentages for different periods during the life of the Notes, in which case the relevant periods will also be specified in the applicable supplement.

(iii) in the case of Physical Delivery Notes, as determined in the manner specified in the applicable supplement; or

(iv) in the case of Zero Coupon Notes, at an amount (the “**Amortized Face Amount**”) equal to the sum of:

(A) the reference price specified in the applicable supplement; and

(B) the product of the accrual yield specified in the applicable supplement, compounded annually, being applied to the reference price from and including the issue date to, but excluding, the date fixed for redemption or, as the case may be, the date upon which such Note becomes due and repayable.

In each of (i) to (iv), where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month or such other calculation basis as may be specified in the applicable supplement.

(h) *Purchases*

In the case of Senior Notes, the Issuer and its affiliates may at any time purchase Notes at any price in the open market or otherwise, in each case in accordance with applicable securities laws.

In the case of Subordinated Notes, the Issuer and its affiliates may, subject to subparagraph (m) (*Conditions to redemption of Subordinated Notes prior to Maturity Date*) below, purchase Subordinated Notes at any price in the open market or otherwise in each case in accordance with applicable securities laws.

Notwithstanding the above, the Issuer or any agent on its behalf shall have the right at all times to purchase Subordinated Notes for market making purposes provided that: (a) the prior written approval of the Relevant Regulator shall be obtained; and (b) the total principal amount of the Subordinated Notes so purchased does not exceed the lower of (i) ten (10) per cent. of the initial aggregate principal amount of the relevant Series of Subordinated Notes and any further notes issued under Condition 11 and (ii) three (3) per cent. of the Tier 2 Capital of the Issuer from time to time outstanding. The Subordinated Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations.

(i) *Cancellation*

All Notes that are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled and accordingly may not be re-issued or resold.

(j) *Installments*

Each Note in certificated form that is redeemable in installments will be redeemed in the installment amounts and on the installment dates specified in the applicable supplement. All installments, other than the final installment, will be paid by surrender of, in the case of a certificated Note, the relevant Receipt, which must be presented with the Note to which it appertains, and, in the case of a global Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in “Payments” above.

(k) *Late Payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraphs (b), (c) or (d) above is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iv) above, as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date that is the earlier of:

- (A) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (B) the date on which the full amount payable has been received by the Fiscal and Paying Agent and notice to that effect has been given to the Noteholders in accordance with “Notices,” paragraph 12 below.

(l) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this paragraph 5 as amended or varied by the information specified in the applicable supplement.

(m) *Conditions to redemption of Subordinated Notes prior to Maturity Date*

According to Articles 77 and 78 of the CRR, the Subordinated Notes may only be redeemed or purchased (as applicable) pursuant to paragraph (b)(1) (Redemption for Taxation Reasons- Withholding Tax Event), paragraph (b)(2) (Redemption for Taxation Reasons- Gross-up Event), paragraph (c) (Redemption at the Option of the Issuer (“Issuer Call”)), paragraph (e) (Optional Redemption of Subordinated Notes upon the occurrence of a Capital Event), paragraph (f) (Optional Redemption of Subordinated Notes upon the occurrence of a Tax Deduction Event) or paragraph (h) (Purchases) (subject to the provisions set out in the second paragraph of the section relating to Subordinated Notes of paragraph (i) as the case may be), if the Relevant Regulator has given its prior written approval to such redemption or purchase (as applicable) and the following conditions are met:

- (i) on or before such purchase or redemption of the Subordinated Notes, the Issuer replaces the Subordinated Notes with capital instruments of an equal or higher quality on terms that are sustainable for the Issuer’s income capacity; or
- (ii) the Issuer has demonstrated to the satisfaction of the Relevant Regulator that its Tier 1 Capital and Tier 2 Capital would, following such purchase or redemption, exceed the capital ratios required under the CRD IV by a margin that the Relevant Regulator may consider necessary on the basis set out in the CRD IV for it to determine the appropriate level of capital of an institution.

In the case of redemption of the Subordinated Notes before five years after the date of issuance of the relevant Series of Notes if:

- (1) the conditions listed in paragraphs (i) or (ii) above are met; and
- (2) in the case of redemption due to the occurrence of a Capital Event, (i) the Relevant Regulator considers such change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Relevant Regulator that the Capital Event was not reasonably foreseeable at the time of the issuance of the relevant Series of Subordinated Notes; or
- (3) in the case of redemption due to the occurrence of a Withholding Tax Event, a Tax Deduction Event or a Gross-up Event, the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Withholding Tax Event, Tax Deduction

Event or Gross-up Event is material and was not reasonably foreseeable at the time of issuance of the relevant Series of Subordinated Notes, and the Issuer has delivered a certificate signed by one of its senior officers to the Fiscal and Paying Agent (and copies thereof will be available at the Fiscal and Paying Agent's specified office during its normal business hours) not less than five (5) calendar days prior to the date set for redemption that such Withholding Tax Event, Tax Deduction Event or Gross-up Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be.

“**Tier 1 Capital**” has the meaning given to it (or, if no longer used, any equivalent or successor term) in the Relevant Rules.

(n) *Substitution and Variation of Senior Non Preferred Notes*

Subject to having given no less than thirty (30) nor more than sixty (60) calendar days' notice to the Fiscal and Paying Agent and the Noteholders (in accordance with Condition 12 (Notices)), if a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may, at its option, substitute all (but not some only) of the relevant Series of Senior Non Preferred Notes or vary the terms of all (but not some only) of the relevant Series of Senior Non Preferred Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Qualifying Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

For the purpose of this Condition:

“**MREL/TLAC Disqualification Event**” means the determination by the Issuer, that as a result of a change in French and/or EU laws or regulations becoming effective on or after the Issue Date of the first Tranche of a Series of Senior Non Preferred Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of the first Tranche of the Series, it is likely that all or part of the aggregate outstanding nominal amount of such Series of Notes will be excluded from the eligible liabilities available to meet the MREL/TLAC Requirements (however called or defined by then applicable regulations) if the Issuer is then subject to such requirements, provided that a MREL/TLAC Disqualification Event shall not occur where such Series of Senior Non Preferred Notes is excluded on the basis (a) that the remaining maturity of such Notes is less than any period prescribed by any applicable eligibility criteria under the MREL/TLAC Requirements, or (b) of any applicable limits on the amount of eligible liabilities to meet the MREL/TLAC Requirements.

“**MREL/TLAC Requirements**” means the minimum requirement for own funds and eligible liabilities and/or total loss-absorbing capacity requirements applicable to the Issuer and/or the Group referred to in the BRRD, any other EU law or regulation and relevant implementing legislation and regulations in France.

“**Qualifying Notes**” means at any time, any securities issued or guaranteed by the Issuer that:

- (i) contain terms which at such time result in such securities being eligible to count towards fulfillment of the MREL/TLAC Requirements of the Issuer and/or the Group to at least the same extent as the Senior Non Preferred Notes prior to the relevant MREL/TLAC Disqualification Event;
- (ii) carry the same rate of interest from time to time applying to the relevant Series of Senior Non Preferred Notes prior to the relevant substitution or variation pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*);
- (iii) have the same currency of payment, maturity, denomination, original and aggregate outstanding principal amount as the relevant Series of Senior Non Preferred Notes prior

to the relevant substitution or variation pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*);

- (iv) rank at least *pari passu* with the relevant Series of Senior Non Preferred Notes prior to the relevant substitution or variation pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*);
  - (v) following the relevant substitution or variation pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*), shall not be subject to a Withholding Tax Event or a Gross-Up Event;
  - (vi) have terms not otherwise materially less favourable to the Noteholders than the terms of the relevant Series of Senior Non Preferred Notes, as reasonably determined by the Issuer, and provided that the Issuer shall have delivered a certificate to that effect to the Fiscal and Paying Agent (and copies thereof will be available at the Fiscal and Paying Agent's specified office during its normal business hours) not less than five (5) Business Days prior to (x) in the case of a substitution of the Senior Non Preferred Notes pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*), the issue date of the first Tranche of the relevant new series of securities or (y) in the case of a variation of the Senior Non Preferred Notes pursuant to this Condition 5(o) (*Substitution and Variation of Senior Non Preferred Notes*), the date such variation becomes effective; and
  - (vii) (A) are listed or admitted to trading on a regulated market, if the relevant Series of Senior Non Preferred Notes were listed or admitted to trading on a regulated market immediately prior to the relevant substitution or variation, or (B) are listed or admitted to trading on any recognised stock exchange (including, without limitation, a regulated market), if the relevant Series of Senior Non Preferred Notes were listed or admitted to trading on any recognised stock exchange other than a regulated market immediately prior to the relevant substitution or variation.
- (o) *Conditions to redemption prior to the Maturity Date or substitution and variation of Senior Non Preferred Notes*

Any redemption prior to any specified maturity date or substitution and variation of a Senior Non Preferred Note is subject to the prior written approval of the Relevant Regulator to the extent required at such date.

## **6. Taxation**

### (a) *Additional Amounts*

If French law should require that any payments in respect of the Notes or Guarantees be subject to withholding with respect to any taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note, after deduction of such taxes or duties, will receive the full amount then due and payable; provided, however, that the Issuer may, in that event, redeem all of the Notes then outstanding as to which such requirement to pay additional amounts applies in accordance with the provisions of paragraph 5(b) above, and provided further that no such additional amounts shall be payable with respect to any Note:

- (i) to or on behalf of a holder who is subject to such taxes or duties in respect of such Note by reason of his being connected with France or the United States (as the case may be) otherwise than by reason only of the holding of such Note; or

- (ii) presented for payment more than 30 days after the relevant date, except to the extent that the holder would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (iii) for any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds the Note or through which payment on the Note is made) to enter into or to comply with any applicable certification, documentation, information or other reporting requirement or agreement concerning accounts maintained by the holder, beneficial owner (or any such financial institution) or concerning ownership of the holder or beneficial owner (or any such financial institution) or concerning ownership of the holder or beneficial owner, or any substantially similar requirement or agreement; or
- (iv) for any tax that is imposed under section 871(m) of the Code, or any regulations or other guidance promulgated thereunder; or
- (v) where the payment of principal or interest on such Note is made to any Noteholder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that the beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of the Note; or
- (vi) for any (a) estate, inheritance, gift, sales, excise, transfer, personal property or similar taxes, or (b) taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes or Guarantee; or
- (vii) for any taxes payable under section 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) (or any successor or amended versions of these provisions), any regulations or other official guidance thereunder, or any agreement (including any intergovernmental agreement or any law implementing such intergovernmental agreement) entered into in connection therewith; or
- (viii) for any combination of (i) through (vii) above.

As used herein the “**relevant date**” in relation to any Note means whichever is the later of:

- (A) the date on which the payment in respect of such Note first became due and payable; or
- (B) if the full amount of the moneys payable on such a date in respect of such Note has not been received by the Fiscal and Paying Agent on or prior to the due date, the date on which notice is duly given to the Noteholders that such moneys have been so received.

References herein to principal and/or interest shall be deemed also to refer to any additional amounts which may be payable under this paragraph 6.

(b) *Supply of Information*

In order to assist the Fiscal and Paying Agent with its compliance with Section 1471 through 1474 of the Code and the rules and regulations thereunder (as in effect from time to time, collectively, the “**Applicable Law**”) the Issuer agrees (i) to provide the Fiscal Paying Agent and any paying agent reasonably available information collected and stored in the Issuer’s ordinary course of business regarding holders of the Notes (solely in their

capacity as such) and which is necessary for the Fiscal and Paying Agent and any paying agent's determination of whether it has tax related obligations under Applicable Law and (ii) that the Fiscal and Paying Agent and any paying agent shall be entitled to make any withholding or deduction from payments under the Fiscal Paying Agent Agreement and the Notes to the extent necessary to comply with Applicable Law. Nothing in the immediate preceding sentence shall be construed as obligating the Issuer to make any "gross up" payment or similar reimbursement in connection with a payment in respect of which amounts are so withheld or deducted.

## 7. Redenomination

Where redenomination is specified in the applicable supplement as being applicable, the Issuer may, without the consent of the Noteholders, on giving prior notice to the Fiscal and Paying Agent, DTC, Euroclear and Clearstream, Luxembourg and at least 30 days prior notice to the Noteholders in accordance with "Notices," paragraph 12 below, elect that, with effect from the Redenomination Date (as deemed herein) specified in the notice, the relevant Notes shall be redenominated in euro.

The election, with respect to the relevant Notes, will have effect as follows:

- (a) the Notes shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Specified Currency, converted into euro at the established rate, provided that, if the Issuer determines, with the agreement of the Fiscal and Paying Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange, if any, on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) except to the extent that an Exchange Notice (as defined herein) has been given in accordance with sub-paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes presented for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if certificated Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and, but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Fiscal and Paying Agent may approve, euro 0.01 and such other denominations as the Fiscal and Paying Agent shall determine and notify to the Noteholders;
- (d) the payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes will be issued in exchange for Notes denominated in the Specified Currency in such manner as the Fiscal and Paying Agent may specify and as shall be notified to the Noteholders in the notice given by the Issuer (the "**Exchange Notice**") that replacement euro-denominated Notes are available for exchange. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account, or any other account to which euro may be credited or transferred, specified by the payee or, at the option of the payee, by a euro check;
- (f) if the Notes are Fixed-Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on a fixed interest date, it will be calculated by applying the rate of interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resulting figure to

the nearest Sub-Unit of the relevant Specified Currency, half of any such Sub-Unit being rounded upwards or otherwise in accordance with applicable market convention;

- (g) if the Notes are Floating-Rate Notes, the applicable supplement will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Fiscal and Paying Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro.

## **8. Events of Default and Enforcement**

### *(a) Events of Default*

In the case of Senior Preferred Notes, the holders of at least 50% of the aggregate principal amount of such Series of outstanding Notes may give written notice to the Issuer and the Fiscal and Paying Agent that such Series of outstanding Notes are, and shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount, together, if appropriate, with interest accrued to the date of repayment, in any of the following events (“**Events of Default**”):

- (i) the Issuer fails to pay any principal payable in respect of such Series of Notes, or any of them, when due and payable; or
- (ii) the Issuer fails to pay any amount other than principal amounts payable in respect of such Series of Notes, or any of them, when due and payable, and such default is not remedied within 30 days after the relevant due date; or
- (iii) the Issuer fails to perform or observe any of its other obligations under the such Series of Notes, and such default is not remedied within 45 days after notice of such default has been given to the Fiscal and Paying Agent by any Noteholder; or
- (iv) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Branch in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Branch or of any substantial part of the property of the Branch, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or the commencement by the Branch of a voluntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated bankrupt or insolvent, or the consent by the Branch to the entry of a decree or order for relief in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding, or the filing by the Branch of a petition or answer or consent seeking reorganization or relief under any applicable U.S. federal or state law, or the consent by the Branch to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Branch or of any substantial part of the property of the Branch, or the making by the Branch of an assignment for the benefit of creditors, or the taking of corporate action by the Branch in furtherance of any such action, and such action or proceeding shall be continuing if not rescinded, suspended or stayed for a period of 30 consecutive days; or

- (v) the Issuer ceases its payments, or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or for a transfer of the whole of its business (*cession totale de l'entreprise*), or the Issuer is subject to similar proceedings, or, in the absence of legal proceedings, the Issuer makes a conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or a resolution is passed by the Issuer for its winding-up or dissolution, except in connection with a merger or other reorganization in which all of the Issuer's assets are transferred to, and all of the Issuer's debts and liabilities (including the Notes) are assumed by, another entity which continues the Issuer's activities.

If the Notes are Senior Non Preferred Notes, or are Senior Preferred to Senior Non Preferred Notes and become, on the Optional Conversion Date or on the Automatic Conversion Date, as the case may be, Senior Non Preferred Notes, then the above listed Events of Default shall (starting from the Optional Conversion Date in the case of Senior Preferred to Senior Non Preferred Notes (optional conversion) or from the Automatic Conversion Date in the case of Senior Preferred to Senior Non Preferred Notes (automatic conversion)) not apply to such Notes. However, in either case, a Noteholder may, upon written notice to the Fiscal and Paying Agent, cause such Notes to become due and payable, together with accrued interest thereon, if any, as of the date on which said notice is received by the Fiscal and Paying Agent, in the event that an order is made or an effective decision is passed for the liquidation (*liquidation judiciaire* or *liquidation amiable*) of the Issuer.

(b) *Enforcement (Subordinated Notes)*

In the case of Subordinated Notes, the holder of any Subordinated Note may, upon written notice to the Fiscal and Paying Agent, cause such Subordinated Note to become due and payable, together with accrued interest thereon, if any, as of the date on which said notice is received by the Fiscal and Paying Agent, in the event that an order is made or an effective resolution is passed for the liquidation (*liquidation judiciaire* or *liquidation amiable*) of the Issuer.

## **9. Prescription**

Claims for payment of principal in respect of the Notes shall be prescribed upon the expiration of ten (10) years from the due date thereof, and claims for payment of interest, if any, in respect of the Notes shall be prescribed upon the expiration of five (5) years from the due date thereof.

## **10. Replacement of Notes**

If any Note, including any global Note, is mutilated, defaced, stolen, destroyed or lost, it may be replaced at the specified office of the Fiscal and Paying Agent upon payment by the claimant of the costs incurred in connection therewith and on such terms as to evidence an indemnity as the Issuer may require. Mutilated or defaced Notes must be surrendered before replacements will be issued. Cancellation and replacement of Notes shall be subject to compliance with such procedures as may be required under any applicable law and subject to any applicable stock exchange requirements.

## **11. Further Issues**

The Issuer shall (subject, for Subordinated Notes, to the prior approval of the Relevant Regulator) be at liberty from time to time without the consent of the Noteholders to issue further notes, such further notes forming a single series with the existing Notes so that such further notes and the Notes carry rights identical in all respects, or in all respects except for the first payment of interest thereon.

## **12. Notices**

- (a) All notices to the holders of registered Notes will be valid if mailed to the addresses of the registered holders.



- (b) So long as global securities are held on behalf of DTC or any other clearing system, notices to holders of securities represented by a beneficial interest in the global securities may be given by delivery of the relevant notice to DTC or the alternative clearing system, as the case may be. If Notes are not held on behalf of DTC or any other clearing system, all notices regarding Notes, both certificated and global, will be valid if published once in a leading English-language daily newspaper with general circulation in the United States, or publish the information on an English language website of the Issuer or such other public medium as it may use at the time. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication.
- (c) Until such time as any certificated Notes are issued, there may, so long as all the global Notes for a particular Series, whether listed or not, are held in their entirety on behalf of DTC, Euroclear and Clearstream, Luxembourg, be substituted, in relation only to such Series, for such publication as aforesaid in Condition 12(b), the delivery of the relevant notice to DTC, Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes, except that if the Notes are listed on a stock exchange and the rules of that stock exchange so require, the relevant notice will in any event be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the notice was given to DTC, Euroclear and/or Clearstream, Luxembourg.
- (d) Notices to be given by any holder of any Notes shall be in writing in the English language and given by delivering the same, together with the relevant Note or Notes, to the Fiscal and Paying Agent. While any Notes are represented by a global Note, such notice may be given by a holder of any of the Notes so represented to the Fiscal and Paying Agent via DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal and Paying Agent and DTC, Euroclear and/or Clearstream, Luxembourg may approve for this purpose.
- (e) All notices given to Noteholders, irrespective of how given, shall also be delivered in writing to DTC, Euroclear and Clearstream, Luxembourg and, in the case of listed Notes, to the relevant stock exchange.

### **13. Meetings of Noteholders, Modification and Waiver**

With respect to each Series of Notes, the Issuer and the Fiscal and Paying Agent may, with the consent of the holders of at least 50% in aggregate principal amount of the then outstanding Notes of such Series, modify and amend the provisions of such Notes, including to grant waivers of future compliance or past default by the Issuer. However, no such amendment or modification will apply, without the consent of each Noteholder affected thereby, to Notes of such Series owned or held by such Noteholder with respect to the following matters:

- (a) to change the stated maturity of the principal of or interest on such Notes;
- (b) to reduce the principal amount of or interest on such Notes;
- (c) to change the currency of payment of principal or interest on such Notes, except as provided in paragraph 7 above; and
- (d) to impair the right to institute suit for the enforcement of any payment in respect of such Notes.

In addition, no such amendment or notification may, without the consent of each Noteholder of such Notes, reduce the percentage of principal amount of Notes of such Series outstanding necessary to make these modifications or amendments to such Notes or to reduce the quorum requirements or the percentages of votes required for the adoption of any action at a Noteholder meeting.

In addition, in the case of a Series of Subordinated Notes, any proposed modification of any provision of such Subordinated Notes (including a modification of the provisions as to subordination referred to in paragraph 2(b) above) requiring the consent of holders of at least 50% in principal amount of the then outstanding Subordinated Notes of such Series can only be effected subject to the prior approval of the Relevant Regulator.

The Issuer may also agree to amend any provision of any Series of Notes of the Issuer with the holder thereof, but that amendment will not affect the rights of the other Noteholders or the obligations of the Issuer with respect to the other Noteholders.

No consent of the Noteholders is or will be required for any modification or amendment requested by the Issuer or by the Fiscal and Paying Agent or with the consent of the Issuer to:

- (a) add to the Issuer's covenants for the benefit of the Noteholders; or
- (b) surrender any right or power of the Issuer in respect of a Series of Notes or the Fiscal and Paying Agency Agreement; or
- (c) provide security or collateral for a Series of Notes; or
- (d) cure any ambiguity in any provision, or correct any defective provision, of a Series of Notes; or
- (e) change the terms and conditions of a Series of Notes (other than Subordinated Notes) or the Fiscal and Paying Agency Agreement in any manner that the Issuer and the Fiscal and Paying Agent mutually deem necessary or desirable so long as any such change does not, and will not, adversely affect the rights or interest of any Noteholder of such Notes; or
- (f) redenominate the Notes of a Series in euro when redenomination is specified in the applicable supplement as being applicable.

For the avoidance of doubt, with respect to the Subordinated Notes, any modification or amendment can only be effected with the prior approval of the Relevant Regulator.

The Issuer may at any time ask for written consent or call a meeting of the Noteholders of a Series to seek their approval of the modification of or amendment to, or obtain a waiver of, any provision of such Series of Notes of the Issuer. This meeting will be held at the time and place determined by the Issuer and specified in a notice of such meeting furnished to the Noteholders. This notice must be given at least 30 days and not more than 60 days prior to the meeting.

If at any time the holders of at least 10% in principal amount for the then outstanding Notes of a Series request the Fiscal and Paying Agent to call a meeting of the holders of such Notes for any purpose, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, the Fiscal and Paying Agent will call the meeting for such purpose. This meeting will be held at the time and place determined by the Fiscal and Paying Agent, after consultation with the Issuer, and specified in a notice of such meeting furnished to the Noteholders. This notice must be given at least 30 days and not more than 60 days prior to the meeting.

Noteholders who hold a majority in principal amount of the then outstanding Notes of a Series will constitute a quorum at a Noteholders' meeting. In the absence of a quorum, a meeting may be adjourned for a period of at least 20 days. At the reconvening of a meeting adjourned for lack of quorum, holders of 25% in principal amount of the then outstanding Notes of such Series shall constitute a quorum. Notice of the reconvening of any meeting may be given only once, but must be given at least ten days and not more than 15 days prior to the meeting.

At any meeting when there is a quorum present, holders of at least 50% in principal amount of the Notes of a Series represented and voting at the meeting may approve the modification or amendment of, or a waiver of compliance for, any provision of the Notes of such Series except for specified matters requiring the consent of each

Noteholder, as set forth above. Modifications, amendments or waivers made at such a meeting will be binding on all current and future Noteholders.

#### **14. Agents**

In acting under the Fiscal and Paying Agency Agreement, the Agents will act solely as agents of the Issuer and do not assume any obligations or relationship of agency or trust to or with the Noteholders, except that, without affecting the obligations of the Issuer to the Noteholders, to repay Notes and pay interest thereon, funds received by the Fiscal and Paying Agent for the payment of the principal of or interest on the Notes shall be held by it in trust for the Noteholders until the expiration of the relevant period of prescription described under “Prescription” above. The Issuer will agree to perform and observe the obligations imposed upon them under the Fiscal and Paying Agency Agreement. The Fiscal and Paying Agency Agreement contains provisions for the indemnification of the Agents and for relief from responsibility in certain circumstances and entitles any of them to enter into business transactions with the Issuer and any of its affiliates without being liable to account to the Noteholders for any resulting profit. The Bank of New York Mellon will be the initial Fiscal and Paying Agent with its specified office at 101 Barclay Street, New York, New York.

#### **15. Governing Law; Consent to Jurisdiction and Service of Process; Immunity**

The Fiscal and Paying Agency Agreement provides that the Notes will be governed by, and construed in accordance with, the laws of the State of New York; provided, however, that Condition 2(a) (*Status (Senior Notes)*) and Condition 2(b) (*Status (Subordinated Notes)*) will be governed by, and construed in accordance with, French law.

The Issuer and the Guarantor have irrevocably consented to the non-exclusive jurisdiction of the courts of the State of New York and the U.S. courts located in The City of New York, Borough of Manhattan with respect to any action that may be brought in connection with the Notes, with respect to the Issuer, and the Guarantees, with respect to the Guarantor. Each of the Issuer and the Guarantor has appointed the Treasurer of the Branch as its agent upon whom process may be served in any action brought against the Issuer in any U.S. or New York State court.

The Issuer and the Guarantor hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Base Prospectus and this Prospectus Supplement or the Notes.

The Issuer and its properties are currently not entitled to any sovereign or other immunity and the Issuer has agreed that, to the extent that it may hereafter become entitled to any such immunity, it waives such immunity with respect to matters arising out of or in connection with the Notes issued by it or the Guarantees.

#### **16. Statutory Write-Down or Conversion**

##### *(a) Acknowledgment*

By its acquisition of the Notes, each Noteholder (which, for the purposes of this Condition 16, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- i. to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
  1. the reduction of all, or a portion, of the Amounts Due (as defined below);
  2. the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the

terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

3. the cancellation of the Notes; and/or
  4. the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;
- ii. that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the “**Amounts Due**” are the principal amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise is no longer due.

(b) *Bail-in or Loss Absorption Power*

For these purposes, the “**Bail-in or Loss Absorption Power**” is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, the “**BRRD**”), including without limitation pursuant to French decree-law No. 2015-1024 dated August 20, 2015 (*Ordonnance portant diverses dispositions d’adaptation de la législation au droit de l’Union européenne en matière financière*) (as amended from time to time, the “**August 20, 2015 Decree Law**”), Regulation (EU) No 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, “**Single Resolution Mechanism**”), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced on a permanent basis (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a Bail-in Tool following placement in resolution or otherwise.

A reference to a “**Regulated Entity**” is to any entity referred to in Section I of Article L.613-34 of the French Monetary and Financial Code as modified by the August 20, 2015 Decree Law, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the “**Relevant Resolution Authority**” is to the *Autorité de contrôle prudentiel et de résolution* (the “**ACPR**”), the Single Resolution Board established pursuant to the Single Resolution Mechanism, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism).

(c) *Payment of Interest and Other Outstanding Amounts Due*

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of its group.

(d) *No Event of Default*

Neither a cancellation of the Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies) which are hereby expressly waived.

(e) *Notice to Noteholders*

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer will also deliver a copy of such notice to the Fiscal and Paying Agent for informational purposes, although the Fiscal and Paying Agent shall not be required to send such notice to Noteholders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Notes described in clauses 16(a) and 16(b) of this section.

(f) *Duties of the Fiscal and Paying Agent*

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer and each Noteholder (including each holder of a beneficial interest in the Notes) hereby agree that (a) the Fiscal and Paying Agent shall not be required to take any directions from Noteholders, and (b) the Fiscal and Paying Agency Agreement shall impose no duties upon the Fiscal and Paying Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In or Loss Absorption Power by the Relevant Resolution Authority, any Notes remain outstanding (for example, if the exercise of the Bail-In or Loss Absorption Power results in only a partial write-down of the principal of the Notes), then the Fiscal and Paying Agent's duties under the Fiscal and Paying Agency Agreement shall remain applicable with respect to the Notes following such completion to the extent that the Issuer and the Fiscal and Paying Agent shall agree pursuant to an amendment to the Fiscal and Paying Agency Agreement.

(g) *Proration*

If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Fiscal and Paying Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.

(h) *Conditions Exhaustive*

The matters set forth in this Condition 16 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any holder of a Note.

**17. Guarantees**

(a) *Senior Guarantees*

(i) *Status (Senior Preferred Guarantee)*

The obligations of the Issuer under the Senior Preferred Notes that are 3(a)(2) Notes (the “**3(a)(2) Senior Preferred Notes**”) will be guaranteed on a senior preferred basis by the Guarantor (the “**Senior Preferred Guarantee**”). The Guarantor’s obligations under the Senior Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior obligations of the Guarantor and rank and will at all times rank:

- a) senior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee);
- b) *pari passu* with Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Guarantee); and
- c) junior to present and future claims benefiting from other preferred exceptions.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Preferred Notes under the Senior Preferred Guarantee rank (a) junior to present and future claims benefiting from other preferred exceptions, and (b) senior to any Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee).

(ii) *Status (Senior Non Preferred Guarantee)*

The obligations of the Issuer under the Senior Non Preferred Notes that are 3(a)(2) Notes (the “**3(a)(2) Senior Non Preferred Notes**”) will be guaranteed on a senior non preferred basis by the Guarantor (the “**Senior Non Preferred Guarantee**”). The Guarantor’s obligations under the Senior Non Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior (*chirographaires*) obligations of the Guarantor and rank and will at all times rank:

- a) senior to Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Subordinated Guarantee);
- b) *pari passu* with other Senior Non Preferred Obligations; and
- c) junior to present and future claims benefiting from preferred exceptions including Senior Preferred Obligations (including obligations of the Guarantor under the Senior Preferred Guarantee and the Senior Guarantee).

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Non Preferred Notes under the Senior Non Preferred Guarantee rank :

- a) junior to Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Preferred Guarantee); and
- b) senior to any Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations of the Issuer and to the obligations of the Guarantor under the Subordinated Guarantee.

Neither the Fiscal and Paying Agency Agreement nor the Senior Non Preferred Guarantee limits the amount of liabilities ranking *pari passu* with or senior to the obligations under the Senior Non Preferred Guarantee that may be incurred or assumed by the Guarantor.

“**Senior Guarantee**” means each of the senior guarantees issued by the Guarantor on May 30, 2008 and May 13, 2015, respectively, relating to the Program.

(b) *Subordinated Guarantee*

The obligations of the Issuer under the Subordinated Notes that are 3(a)(2) Notes (the “**3(a)(2) Subordinated Notes**”) will be guaranteed on a subordinated basis by the Guarantor (the “**Subordinated Guarantee**”).

(i) For so long as any Existing Subordinated Note is outstanding, the Guarantor’s obligations under the Subordinated Guarantee constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank and will rank *pari passu* with all other present and future direct, unconditional, unsecured and ordinarily subordinated obligations of the Issuer.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee shall be subordinated to the full payment of unsubordinated creditors of the Issuer (including depositors) but, subject to such payment in full, a holder of 3(a)(2) Subordinated Notes shall be paid under the Subordinated Guarantee in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any Undated Deeply Subordinated Notes (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*) issued by the Issuer.

(ii) Upon redemption or repurchase and cancellation of all of the Existing Subordinated Notes, the Guarantor’s obligations under the Subordinated Guarantee will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and will rank *pari passu* among themselves and *pari passu* with:

- a) any obligations or instruments of the Issuer which constitute Tier 2 Capital; and
- b) any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Guarantee.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee will (a) be subordinated to the full payment of (i) the unsubordinated creditors of the Issuer and (ii) the Eligible Creditors of the Issuer; and (b) will be paid in priority to any *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*).

Neither the Fiscal and Paying Agency Agreement nor the Subordinated Guarantee limits the amount of liabilities ranking *pari passu* with or senior to the obligations under the Fiscal and Paying Agency Agreement that may be incurred or assumed by the Issuer or the Subordinated Guarantee that may be incurred or assumed by the Guarantor.

At any time when 3(a)(2) Subordinated Notes are outstanding, the Issuer may not be dissolved.

## 18. **Definitions in these Terms and Conditions**

The following expressions have the following meanings:

- (a) “**Adjusted**” means that for the purposes of an Interest Period where the Interest Payment Date is not a Payment Day, the Interest Amount for that Interest Period will accrue up to, but excluding, the first following Business Day, if Following Business Day Convention is specified in the

applicable supplement, or up to, but excluding, the first following Business Day or the first preceding Business Day, as the case may be, if Modified Following Business Day Convention is specified in the applicable supplement.

- (b) “**Established Rate**” means the rate for the conversion of the Specified Currency, including compliance with rules relating to roundings in accordance with applicable European Community regulations, into euro established by the Council of the European Union pursuant to Article 1091(4) of the Treaty.
- (c) “**Euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.
- (d) “**London Business Day**” means a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.
- (e) “**New York and London Business Day**” means a day, other than a Saturday or a Sunday, on which commercial banks are open for business in the city of New York, New York and the city of London.
- (f) “**New York Business Day**” means a day, other than a Saturday or a Sunday, on which commercial banks are open for business in the city of New York, New York.
- (g) “**Redenomination Date**” means, in the case of interest bearing Notes, any date for payment of interest under the Notes or, in the case of Zero Coupon Notes, any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph 6(a) above, that falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.
- (h) “**Treaty**” means the Treaty on the Functioning of the European Union, as amended.
- (i) “**Unadjusted**” means that for the purposes of an Interest Period where the Interest Payment Date is not a Payment Day, the Interest Amount for that Interest Period will accrue up to, but excluding, the stated Interest Payment Date.



## GUARANTEES

The following updates and supersedes in its entirety the section entitled “*Guarantees*” in the Base Prospectus.

The obligations of the Issuer under the 3(a)(2) Senior Preferred Notes will be guaranteed on a senior preferred basis by the Guarantor pursuant to the Senior Preferred Guarantee. The Guarantor’s obligations under the Senior Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior obligations of the Guarantor and rank and will at all times rank (a) senior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee), (b) *pari passu* with Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Guarantee), and (c) junior to present and future claims benefiting from other preferred exceptions.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Preferred Notes under the Senior Preferred Guarantee rank (a) junior to present and future claims benefiting from other preferred exceptions, and (b) senior to any Senior Non Preferred Obligations (including the obligations of the Guarantor under the Senior Non Preferred Guarantee).

The obligations of the Issuer under the 3(a)(2) Senior Non Preferred Notes will be guaranteed on a senior non preferred basis by the Guarantor pursuant to the Senior Non Preferred Guarantee. The Guarantor’s obligations under the Senior Non Preferred Guarantee constitute and will constitute direct, unconditional, unsecured, and senior (*chirographaires*) obligations of the Guarantor and rank and will at all times rank (a) senior to Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations (including the obligations of the Guarantor under the Subordinated Guarantee), (b) *pari passu* with other Senior Non Preferred Obligations, and (c) junior to present and future claims benefiting from preferred exceptions including Senior Preferred Obligations (including obligations of the Guarantor under the Senior Preferred Guarantee and the Senior Guarantee).

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of any holder of 3(a)(2) Senior Non Preferred Notes under the Senior Non Preferred Guarantee rank (a) junior to Senior Preferred Obligations (including the obligations of the Guarantor under the Senior Preferred Guarantee), and (b) senior to any Eligible Creditors of the Issuer, Ordinarily Subordinated Obligations and any other present or future claims otherwise ranking junior to Senior Non Preferred Obligations of the Issuer and to the obligations of the Guarantor under the Subordinated Guarantee.

“**Senior Guarantee**” means each of the senior guarantees issued by the Guarantor on May 30, 2008 and May 13, 2015, respectively, relating to the Program.

The obligations of the Issuer under the 3(a)(2) Subordinated Notes will be guaranteed on a subordinated basis by the Guarantor pursuant to the Subordinated Guarantee. For so long as any Existing Subordinated Note is outstanding, the Guarantor’s obligations under the Subordinated Guarantee constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank and will rank *pari passu* with all other present and future direct, unconditional, unsecured and ordinarily subordinated obligations of the Issuer.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee shall be subordinated to the full payment of unsubordinated creditors of the Issuer (including depositors) but, subject to such payment in full, a holder of 3(a)(2) Subordinated Notes shall be paid under the Subordinated Guarantee in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any Undated Deeply Subordinated Notes (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*) issued by the Issuer.

Upon redemption or repurchase and cancellation of all of the Existing Subordinated Notes, the Guarantor's obligations under the Subordinated Guarantee will constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and will rank *pari passu* among themselves and *pari passu* with:

- a) any obligations or instruments of the Issuer which constitute Tier 2 Capital; and
- b) any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Guarantee.

Subject to applicable law, in the event of the voluntary liquidation of the Issuer, bankruptcy proceedings, or any other similar proceedings affecting the Issuer, the rights to payment of a holder of any 3(a)(2) Subordinated Notes under the Subordinated Guarantee will (a) be subordinated to the full payment of (i) the unsubordinated creditors of the Issuer and (ii) the Eligible Creditors of the Issuer; and (b) will be paid in priority to any *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*obligations dites "super subordonnées" i.e. engagements subordonnés de dernier rang*).

The Guarantees include a provision with respect to additional amounts similar to the "Additional Amounts" section under "Description of the Notes" with respect to any amounts to be paid under the Guarantees. The Guarantees are available for inspection at the principal office of the Fiscal and Paying Agent.

The holders of the 3(a)(2) Notes will be beneficiaries of the Guarantees. No trustee or other fiduciary will be appointed to make claims under the Guarantees on behalf of Noteholders. The Guarantor is required to make payment under the Guarantees following the receipt of a notice from a holder to the effect that the Issuer has defaulted in respect of an obligation that is guaranteed by the Guarantor, supporting documentation with respect thereto, and evidence of the title of such Holder to the relevant Notes.

The Guarantees are governed by, and construed in accordance with, the laws of the State of New York; except that the provisions of the Guarantees relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law.

The Issuer and the Guarantor irrevocably consent to the non-exclusive jurisdiction of the courts of the State of New York and the U.S. courts located in The City of New York, Borough of Manhattan, with respect to any action that may be brought in connection with the Guarantees.

The Issuer and the Guarantor hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Prospectus Supplement and/or the Base Prospectus or the Notes.

Under the Guarantees, the Guarantor has guaranteed the obligations owed by the Issuer to the Holders of the 3(a)(2) Notes. In the case of application of the Bail-in Tool to the Notes (as defined herein and described under "Government Supervision and Regulation of BNP Paribas in France" in the Base Prospectus) such that the Issuer's obligations under the Notes are reduced, the amounts due under the Guarantees will be correspondingly reduced.

In addition, the Bail-in Tool might also apply to a guarantee obligation such as the Guarantees. While holders of the Notes, as beneficiaries of the Guarantees, are creditors of the New York branch of the Guarantor, and therefore benefit from the NYBL's statutory preference regime with respect to assets of the New York branch, if the Issuer's obligations under the Notes or the Guarantor's obligation under the Guarantees were subject to the Bail-in Tool, there would be no remaining claim (or a reduced remaining claim) that would benefit from this preference regime.

As a result, the Bail-in Tool, if applied to the Notes or to liabilities of the Guarantor, could effectively limit the extent of a recovery under the Guarantees.

For further information about the Bail-In Tool, see "Government Supervision and Regulation of BNP Paribas in France" in the Base Prospectus.

