IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. By accessing the attached Offering Memorandum (as defined below), you agree to the following:

This Transmission is Personal to You and Must Not be Forwarded: The attached Offering Memorandum has been delivered personally to you on the basis that you are a person into whose possession it may be lawfully delivered in accordance with applicable laws. You may not nor are you authorized to deliver the Offering Memorandum to any other person. You must not transmit the attached Offering Memorandum (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person. Failure to comply with this notice may result in a violation of the Securities Act of 1933, as amended (the "**Securities Act**") or the applicable laws of other jurisdictions.

Confirmation of Your Representation: In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the Subordinated Notes, you must (i) in the United States, be a "qualified institutional buyer" (within the meaning of Rule 144A under the Securities Act) acting for your own account or for the account of another "qualified institutional buyer," or (ii) be a non-U.S. person outside the United States (within the meaning of Regulation S under the Securities Act). In addition, with respect to all Subordinated Notes, if you are located outside the United States, you must be (a) a qualified investor in a Member State of the European Economic Area that has implemented Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (the "**Prospectus Directive**") and amendments thereto, including Directive 2010/73/EU (including any relevant implementing measure in the relevant Member State, the "**2010 PD Amending Directive**"), (b) a person in Japan benefiting from an exemption under the Financial Instruments and Exchange Law of Japan, (c) a professional investor within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong, (d) an institutional investor pursuant to Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, (e) a person licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), or qualified investors (*investisseurs qualifiés*) investing for their own account, all as defined in Articles L. 411-2 and D. 411-1 of the French *Code monétaire et financier* and applicable regulations thereunder, (f) an institutional investor, and not a resident of Korea (as such term is defined in the Foreign Exchange Transaction Law of Korea and rules and regulations promulgated thereunder), except as otherwise permitted under applicable Korean laws and regulations, (g) a Taiwan resident outside Taiwan but not resident in Taiwan or (h) in other jurisdictions where the Prospectus Directive is not applicable, an institutional or other investor eligible to participate in a private placement of securities under applicable law. You have been sent the attached Offering Memorandum on the basis that you have confirmed the foregoing to the sender, and that you consent to delivery by electronic transmission.

The attached Offering Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the sender or any person who controls it or any director, officer, employee, representative or agent of it, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any such alteration or change.

RESTRICTIONS: NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE SUCH OFFER IS NOT PERMITTED. THE SECURITIES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY OTHER SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR TRANSFERRED IN THE UNITED STATES UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH REGISTRATION.

This communication does not contain or constitute an invitation, inducement or solicitation to invest. This communication is directed only at persons (i) who are outside the United Kingdom, (ii) who are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Order**"), (iii) who are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iv) other persons to whom an invitation or inducement to engage in investment activity (within the meaning of the Financial Services and Markets Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii) and (iv) together being referred to as "**Relevant Persons**"). The Offering Memorandum is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Offering Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

Offering Memorandum Supplement N° 1 dated October 15, 2013 to the
Base Offering Memorandum dated April 9, 2013

U.S.$1,500,000,000 5.700% Subordinated Notes due 2023
to be issued pursuant to the Issuer's
U.S.$10,000,000,000 U.S. Medium Term Note Program

This is an offering of U.S.$1,500,000,000 principal amount of 5.700% subordinated notes due 2023 (the "**Subordinated Notes"**) of BPCE (the "**Issuer**"). The Subordinated Notes will bear interest at a rate of 5.700% per annum, payable semi-annually in arrears on April 22 and October 22 of each year, beginning on April 22, 2014.

Unless earlier redeemed or purchased and cancelled, the Subordinated Notes will mature at par on October 22, 2023. The Issuer may, at its option, and in certain circumstances shall be required to, redeem all, but not some only, of the Subordinated Notes at any time at their outstanding principal amount plus accrued interest upon the occurrence of a Tax Event or a Capital Event (each as defined herein).

The Subordinated Notes are subordinated debt obligations of the Issuer and rank junior to the Issuer's unsubordinated obligations, *pari passu* with the Issuer's other subordinated obligations, and senior to certain junior securities, including the Issuer's outstanding deeply subordinated securities.

The Subordinated Notes will be issued pursuant to the Issuer's U.S.$10,000,000,000 U.S. Medium Term Notes Program (the "**Program**"). This supplement (this "**Supplement**") is a supplement to the base offering memorandum dated April 9, 2013 relating to the Program (the "**Base Offering Memorandum**," and together with the Supplement, the "**Offering Memorandum**"). This Supplement should be read in conjunction with the Base Offering Memorandum. Terms defined in the Base Offering Memorandum have the same meanings when used in this Supplement, unless they are otherwise defined herein. To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in, or incorporated by reference in, the Base Offering Memorandum, the statements in this Supplement will prevail.

The Subordinated Notes constitute "Rule 144A Notes" and the "Regulation S Notes" within the meaning of the Base Offering Memorandum. The Subordinated Notes will be obligations of the Issuer, but will not be guaranteed by the Guarantor, which will have no obligations in respect of the Subordinated Notes.

See "*Risk Factors*" beginning on page 13 of the Base Offering Memorandum and page 2 of this Supplement for certain considerations relevant to an investment in the Subordinated Notes.

THE SUBORDINATED NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE SUBORDINATED NOTES MAY BE OFFERED AND SOLD ONLY (A) TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT AND (B) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT. FOR CERTAIN RESTRICTIONS ON RESALE AND TRANSFER, SEE "*PLAN OF DISTRIBUTION*" AND "*NOTICE TO U.S. INVESTORS*" IN THIS SUPPLEMENT.

The Subordinated Notes will be issued in the denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. Delivery of the Subordinated Notes will be made on or about October 22, 2013, in registered book-entry form only, through the facilities of The Depository Trust Company ("**DTC**"), for the accounts of its participants, including Clearstream Banking, *société anonyme,* and Euroclear Bank S.A./N.V.

Joint Book-Running Managers

Citigroup *Deutsche Bank Securities* *Goldman, Sachs & Co.*
J.P. Morgan *Natixis Securities Americas LLC*

Co-Managers

CIBC *nabSecurities, LLC* *RBC Capital Markets*
Standard Chartered Bank *Swedbank AB* *Wells Fargo Securities*

The Issuer and Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC and Natixis Securities Americas LLC (the "**Joint Book-Running Managers**") and CIBC World Markets Corp., nabSecurities, LLC, RBC Capital Markets, LLC, Standard Chartered Bank, Swedbank AB (publ) and Wells Fargo Securities, LLC (the "**Co-Managers**," and together with the Joint Book-Running Managers, the "**Managers**") have not authorized anyone to give investors any information other than that contained in this Offering Memorandum (including this Supplement, the Base Offering Memorandum and the documents incorporated by reference), and they take no responsibility for any other information that others may give to investors. Prospective investors should carefully evaluate the information provided by the Issuer in light of the total mix of information available to them, recognizing that the Issuer can provide no assurance as to the reliability of any information not contained or incorporated by reference in this Offering Memorandum. The delivery of this Offering Memorandum at any time does not imply that the information herein is correct as of any time subsequent to its date.

The distribution of this Offering Memorandum and the offering and sale of the Subordinated Notes in certain jurisdictions may be restricted by law. The Issuer and the Managers require persons in whose possession this Offering Memorandum comes to inform themselves about and to observe any such restrictions. This Offering Memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Subordinated Notes offered hereby by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

Prospective investors hereby acknowledge that (i) they have been afforded an opportunity to request from the Issuer and to review, and have received, all additional information considered by them to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) they have had the opportunity to review all of the documents described herein, and (iii) they have not relied on the Managers or any person affiliated with the Managers in connection with any investigation of the accuracy of such information or their investment decision.

This Offering Memorandum has not been, and is not required to be, submitted to the French Financial Markets Authority (*Autorité des marchés financiers*) (the "**AMF**") or any other competent authority for approval as a "prospectus" pursuant to the Prospectus Directive (as defined below).

In making an investment decision, prospective investors must rely on their examination of the Issuer and the terms of this offering, including the merits and risks involved. The Subordinated Notes have not been approved or recommended by any United States federal or state securities commission or any other United States, French or other regulatory authority. Furthermore, the foregoing authorities have not passed upon or endorsed the merits of the offering or confirmed the accuracy or determined the adequacy of this Base Offering Memorandum. Any representation to the contrary is a criminal offense in the United States.

Certain persons participating in any offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Subordinated Notes, including stabilizing and syndicate covering transactions. For a description of these activities, see "*Plan of Distribution*" in this Supplement. Such activities, if commenced, may be terminated at any time.

The Managers for this offering include the Issuer's broker-dealer affiliate, Natixis Securities Americas LLC (the "**Broker-Dealer Affiliate**"). The Broker-Dealer Affiliate or other affiliates also may offer and sell previously issued Subordinated Notes as part of their business and may act as a principal or agent in such transactions, although a secondary market for the Subordinated Notes cannot be assured. The Issuer or the Broker-Dealer Affiliate or other affiliates may use this Offering Memorandum in connection with any of these activities, including for market-making transactions involving the Subordinated Notes after their initial sale.

It is not possible to predict whether the Subordinated Notes will trade in a secondary market or, if they do, whether such market will be liquid or illiquid. The Subordinated Notes are not expected to be listed on any stock exchange. The Managers reserve the right to enter, from time to time and at any time, into agreements with one or more holders of Notes to provide a market for the Subordinated Notes but none of the Managers is obligated to do so or to make any market for the Subordinated Notes.

The contents of this Offering Memorandum should not be construed as investment, legal or tax advice. This Offering Memorandum, as well as the nature of an investment in any Subordinated Notes, should be reviewed by each prospective investor with such prospective investor's investment advisor, legal counsel and tax advisor.

Any reproduction or distribution of this Offering Memorandum, in whole or in part, or any disclosure of its contents or use of any of its information for purposes other than evaluating a purchase of the Subordinated Notes is prohibited without the express written consent of the Issuer.

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

The Base Offering Memorandum contemplates that the terms and conditions of any subordinated notes offered pursuant to the Program will be set forth in a supplement. This Supplement constitutes such a supplement for purposes of the Program. Notwithstanding anything to the contrary in the Base Offering Memorandum, the terms and conditions summarized in the sections of the Base Offering Memorandum entitled "*Terms of the Notes*" in the summary and "*Description of the Notes*," and any other sections of the Base Offering Memorandum incorporating or referring to such terms and conditions, shall not be part of this Offering Memorandum for purposes of the offer and sale of the Subordinated Notes.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES OF AMERICA

The Subordinated Notes have not been and will not be registered under the Securities Act or the securities laws of any U.S. state. The Subordinated Notes may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Subordinated Notes are being offered and sold in the United States only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, and outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act, as applicable. See "*Notice to U.S. Investors*" and "*Plan of Distribution*" in this Supplement.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("**421-B**") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Offering Memorandum has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Subordinated Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Subordinated Notes. Accordingly any person making or intending to make an offer of Subordinated Notes in that Relevant Member State may only do so (i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Manager have authorized, nor do they authorize, the making of any offer of Subordinated Notes in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order

(all such persons together being referred to as "**Relevant Persons**"). The Subordinated Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Subordinated Notes will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

The Managers have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Subordinated Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

The Managers have complied and will comply with all applicable provisions of the FSMA with respect to anything done by each of them in relation to any Subordinated Notes in, from or otherwise involving the United Kingdom.

NOTICE TO PROSPECTIVE INVESTORS IN FRANCE

This Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of securities in France (*offre au public de titres financiers*) within the meaning of Article L. 411-1 of the *Code monétaire et financier* and, therefore, this Offering Memorandum, the applicable Supplement or any other offering materials relating to the Subordinated Notes have not been and will not be filed with the French *Autorité des marchés financiers* (the "**AMF**") for prior approval or submitted for clearance to the AMF and, more generally no prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Subordinated Notes that has been approved by the AMF or by the competent authority of another Member State of the European Economic Area and notified to the AMF and to the Issuer.

The Managers: (i) have not offered or sold and will not offer or sell, directly or indirectly, any Subordinated Notes to the public in France; (ii) have not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Memorandum or any other offering materials relating to the Subordinated Notes; and (iii) confirm that such offers, sales and distributions have been and will only be made in France to persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), or qualified investors (*investisseurs qualifiés*) investing for their own account, all as defined in Articles L. 411-2 and D. 411-1 of the French *Code monétaire et financier* and applicable regulations thereunder. The direct or indirect distribution to the public in France of any Subordinated Notes so acquired may be made only in accordance with the provisions of Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the *Code monétaire et financier* and applicable regulations thereunder.

NOTICE TO RESIDENTS OF HONG KONG

No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Subordinated Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Subordinated Notes, which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong and any rules made under that ordinance.

NOTICE TO RESIDENTS OF JAPAN

The Subordinated Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (act no.25 of 1948, as amended; the "**FIEA**"). Accordingly, the Subordinated Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under item 5, paragraph 1, article 6 of the Foreign Exchange and Foreign Trade Act (act no. 228 of 1949, as amended)), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration

requirements of, and otherwise in compliance with, the FIEA and any other applicable laws and regulations of Japan.

For the primary offering of the Subordinated Notes, the Subordinated Notes and the solicitation of an offer for acquisition thereof have not been and will not be registered under paragraph 1, article 4 of the FIEA. As the primary offering, the Subordinated Notes may only be offered, sold, resold or otherwise transferred, directly or indirectly to, or for the benefit of, (i) a person who is not a resident of Japan or (ii) a Qualified Institutional Investor ("**QII**") defined in article 10 of the cabinet ordinance concerning definitions under article 2 of the FIEA (ordinance no. 14 of 1993, as amended). A person who purchased or otherwise obtained the Subordinated Notes as a QII cannot resell or otherwise transfer the Subordinated Notes in Japan to any person except another QII. A person who purchased or otherwise obtained the Subordinated Notes as a non-QII may only resell or otherwise transfer all the Subordinated Notes held by such person at that time to one person.

NOTICE TO RESIDENTS OF KOREA

For institutional investors only. The Subordinated Notes have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea and none of the Subordinated Notes may be offered or sold, directly or indirectly, in Korea or to any resident of Korea, or to any persons for reoffering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term defined in the Foreign Exchange Transaction Law of Korea and rules and regulations promulgated thereunder), except as otherwise permitted under applicable laws and regulations.

NOTICE TO RESIDENTS OF SINGAPORE

Offers made under the institutional investor exemption and/or the 275 exemption.

This Offering Memorandum has not been registered as a prospectus with the monetary authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Subordinated Notes may not be circulated or distributed, nor may the Subordinated Notes be offered or sold or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to section 274 of the Securities And Futures Act, chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to section 275(1) of the SFA or any person pursuant to section 275(1a) of the SFA, and in each case in accordance with the conditions specified in section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Subordinated Notes are subscribed or purchased under section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in section 4a of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Subordinated Notes pursuant to an offer made under section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in section 275(1a) or section 276(4)(i)(b) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in section 276(7) of the SFA.

NOTICE TO RESIDENTS OF TAIWAN

The Subordinated Notes may be made available to Taiwan residents outside Taiwan but may not be marketed, offered or entered into in Taiwan.

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DOCUMENTS INCORPORATED BY REFERENCE

The Base Offering Memorandum, as supplemented by this Supplement, should be read and construed in conjunction with the following documents incorporated by reference (the "**Documents Incorporated by Reference**"), which form part of this Offering Memorandum as of the date hereof.

The following documents constitute the Documents Incorporated by Reference as of the date hereof and shall supersede and replace the Documents Incorporated by reference in the Base Offering Memorandum for purposes of the offer and sale of the Subordinated Notes:

a) the English translation of the 2012 BPCE registration document (*document de référence*) (the "**2012 BPCE Registration Document**"), a French version of which was filed with the AMF under registration number N°D.13-0203, dated March 22, 2013;

b) The English translation of the First update to the 2012 BPCE Registration Document (the "**First Update**"), a French version of which was filed with the AMF under registration number N°D.13-0203-A01, dated May 15, 2013;

c) The English translation of the Second update to the 2012 BPCE Registration Document (the "**Second Update**"), a French version of which was filed with the AMF under registration number N°D.13-0203-A02, dated August 27, 2013;

d) the English translation of chapters 4 ("*Groupe BPCE Management Report*") and 5 ("*Financial Report*") of the 2011 BPCE registration document (*document de référence*) (the "**2011 BPCE Registration Document**"), a French version of which was filed with the AMF under registration number N°D.12-0246, dated March 30, 2012; and

e) the English translation of chapter 5 ("*Financial Report*") of the BPCE 2010 registration document (*document de référence*) (the "**2010 BPCE Registration Document**"), a French version of which was filed with the AMF under registration number N°R.11-012, dated April 4, 2011.

Notwithstanding the foregoing, the following statements shall not be deemed incorporated herein:

- the statement by Mr. François Pérol, Chairman of the Management Board of the Issuer, on page 438 of the 2012 BPCE Registration Document;
- the statement by Mr. François Pérol, Chairman of the Management Board of the Issuer, on page 53 of the First Update; and
- the statement by Mr. François Pérol, Chairman of the Management Board of the Issuer, on page 178 of the Second Update.

Any statement made in any document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offering Memorandum to the extent that a statement contained in this Supplement modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Offering Memorandum.

The Documents Incorporated by Reference are available on the website of the Issuer (www.bpce.fr). Unless otherwise explicitly incorporated by reference into this Offering Memorandum in accordance with paragraphs (a) to (e) above, the information contained on the website of the Issuer shall not be deemed incorporated by reference herein.

RISK FACTORS

*Prior to making an investment decision, prospective investors should consider carefully all of the information set out and incorporated by reference in this Offering Memorandum, including in particular the following risk factors. This section is not intended to be exhaustive and prospective investors should make their own independent evaluations of all risk factors and also read the detailed information set out elsewhere in the Offering Memorandum. Terms defined in "*Terms and Conditions of the Notes*" shall have the same meaning where used below.*

Risks Relating to the Groupe BPCE, its Activities and its Organizational Structure

Please see the sections of the Base Offering Memorandum entitled "*Risk Factors—Risks relating to Groupe BPCE's activities and the banking sector*," and "*Risk Factors—Risks related to the structure of Groupe BPCE and Natixis*."

Potential investors should be aware that the risks relating to Natixis described in those sections are relevant because Natixis is a significant subsidiary of the Issuer. However, Natixis, New York Branch will not act as guarantor of the Subordinated Notes offered hereby, and the risks relating to Natixis, New York Branch in its capacity as Guarantor of the 3(a)(2) Notes described in the Base Offering Memorandum do not apply to the Subordinated Notes.

Risks Relating to the Subordinated Notes

*For purposes of the offer and sale of the Subordinated Notes, the following supersedes and replaces the section entitled "*Risks Relating to the Notes*" in the "*Risk Factors*" section of the Base Offering Memorandum.*

The Subordinated Notes are subordinated obligations.

The Issuer's obligations under the Subordinated Notes are unsecured and subordinated and will rank junior in priority of payment to unsubordinated creditors (including depositors) of the Issuer, as more fully described in the "*Terms and Conditions of the Notes.*"

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the payment obligations of the Issuer under the Subordinated Notes shall be subordinated to the payment in full of the unsubordinated creditors of the Issuer. In the event of incomplete payment of unsubordinated creditors on the liquidation of the Issuer, the obligations of the Issuer in connection with the Subordinated Notes will be terminated by operation of law. There is a substantial risk that investors in subordinated notes such as the Subordinated Notes will lose all or some of their investment should the Issuer become insolvent.

The Subordinated Notes do not provide for any events of default.

In no event will Holders of the Subordinated Notes be able to accelerate the maturity of their Subordinated Notes. Accordingly, in the event that any payment on the Subordinated Notes is not made when due, the Holders will have claims only for amounts then due and payable on their Subordinated Notes.

The Subordinated Notes are subject to early redemption upon the occurrence of a Special Event

Subject as provided herein, in particular to the provisions of Condition 6.6 (*Conditions to Redemption Prior to Maturity Date*) the Issuer may, at its option, and in certain circumstances shall be required to, redeem all, but not some only, of the Subordinated Notes at any time at their outstanding principal amount plus accrued and unpaid interest, upon the occurrence of a Capital Event or a Tax Event.

The early redemption feature upon the occurrence of a Special Event may limit the market value of the Subordinated Notes. During any period when the Issuer may elect to redeem the Subordinated Notes, the market value of the Subordinated Notes generally will not rise substantially above the price at which they can be redeemed. In addition, Holders will not receive a make-whole amount or any other compensation in the case of an early redemption of Subordinated Notes.

If the Issuer redeems the Subordinated Notes in any of the circumstances mentioned above, there is a risk that the Subordinated Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Subordinated Notes or when prevailing interest rates may be relatively low, in which latter case Holders may only be able to reinvest the redemption proceeds in securities with a

lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

The trading market for debt securities may be volatile and may be adversely impacted by many events.

The market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other Western and other industrialized countries. There can be no assurance that events in France, Europe, the United States or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Subordinated Notes or that economic and market conditions will not have any other adverse effect.

There will be no prior market for the Subordinated Notes.

There is currently no existing market for the Subordinated Notes, and there can be no assurance that any market will develop for the Subordinated Notes or that Holders will be able to sell their Subordinated Notes in the secondary market. No assurance can be given that a liquid trading market for the Subordinated Notes will develop and the Subordinated Notes are not expected to be listed on any stock exchange. There is no obligation on the part of any party to make a market in the Subordinated Notes.

Moreover, although pursuant to Condition 6.4 (*Purchase*) the Issuer can purchase Subordinated Notes at any time (subject to regulatory approval), the Issuer is not obligated to do so. Purchases made by the Issuer could affect the liquidity of the secondary market of the Subordinated Notes and thus the price and the conditions under which investors can negotiate these Subordinated Notes on the secondary market.

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

Each potential investor in the Subordinated Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Subordinated Notes, including the possibility that the entire principal amount of the Subordinated Notes could be lost. A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Subordinated Notes will perform under changing conditions, the resulting effects on the likelihood of an early redemption upon the occurrence of a Special Event and the impact thereof on the value of the Subordinated Notes, and the impact of this investment on the potential investor's overall investment portfolio.

French law currently in force and European legislative proposals regarding the resolution of financial institutions may require the write-down or conversion to equity of the Subordinated Notes in case the Issuer is deemed to be at the point of non-viability.

France recently adopted a banking law that allows authorities to cancel, write-down or convert into equity failing banks' subordinated instruments (such as the Subordinated Notes), in accordance with their seniority (the "**Bail-In Tool**"). Failing banks are defined as those that, currently or in the near future (i) no longer comply with regulatory capital requirements, (ii) are not able to make payments that are, or will be imminently, due, or (iii) require extraordinary public financial support. Conversion ratios are decided upon by the French resolution authority on the basis of a "fair and realistic" assessment.

Similarly, the Council of the European Union published a draft directive on June 28, 2013 relating to the resolution of financial institutions. The proposed directive would, if adopted in this form, provide resolution authorities the power to ensure that capital instruments, including tier 2 instruments such as the Subordinated Notes, absorb losses at the point of non-viability of the issuing institution, through the write-down or conversion to equity of such instruments. The point of non-viability is defined as the point at which the resolution authority determines that (i) the institution 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.

The Bail-In Tool could result in the full or partial write-down or conversion to equity of the Subordinated Notes. In addition, if the Issuer's financial condition deteriorates, the existence of the Bail-in Tool could cause the market value of the Subordinated Notes to decline more rapidly than would be the case in the absence of the Bail-in Tool. Moreover, the European Union Bail-In Tool has not yet been finalized, and it is possible that future modifications will be unfavorable to the interests of Holders of the Subordinated Notes.

For further information about the proposed European resolution directive and the French banking law, see "*Government Supervision and Regulation of Credit Institutions in France*."

The EU Savings Directive is applicable to the Subordinated Notes.

EC Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") requires an EU Member State to provide to the tax authorities of another EU Member State details of payments of interest and other similar income paid by a person established within its jurisdiction to (or for the benefit of) an individual resident in or certain limited types of entity established in, that other EU Member State, except that, for a transitional period, Luxembourg and Austria will instead impose a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld), unless during such period they elect otherwise. The Luxembourg government has announced that Luxembourg will elect out of the withholding system in favour of automatic exchange of information with effect from January 1, 2015. The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. A number of third countries and territories have adopted similar measures to the Savings Directive. See the section entitled "*Taxation—EU Savings Directive*" in the Base Offering Memorandum.

If a payment under a Note were to be made by a person in or collected through an EU Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive as amended from time to time or any law implementing or complying with, or introduced in order to conform to, such Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax.

Transactions on the Subordinated Notes could be subject to a future European financial transaction tax.

The European Commission has proposed a directive that, if adopted in its current form, would subject transactions in securities such as the Subordinated Notes to a financial transaction tax. The proposed directive would call for eleven European member states, including France, to impose a tax of at least 0.1% on all such transactions, generally determined by reference to the amount of consideration paid. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Subordinated Notes would be subject to higher costs, and the liquidity of the market for the Subordinated Notes may be diminished.

The terms of the Subordinated Notes contain very limited covenants.

There is no negative pledge in respect of the Subordinated Notes. 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 Subordinated Notes. If the Issuer decides to dispose of a large amount of its assets, investors in the Subordinated Notes will not be entitled to declare an acceleration of the maturity of the Subordinated Notes, and those assets will no longer be available to support the Subordinated Notes.

In addition, the Subordinated 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, 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 Subordinated Notes.

USE OF PROCEEDS

The Issuer will use the net proceeds it receives from any offering of the Subordinated Notes for general corporate purposes.

CAPITALIZATION

The table below sets forth the consolidated capitalization of Groupe BPCE as of June 30, 2013. This table shall supersede and replace the capitalization table in the Base Offering Memorandum.

(in millions of euros)	**June 30, 2013**
Debt securities in issue	236,883
Subordinated debt	8,950
Total debt	245,833
Shareholders' Equity (group share):	
Share capital and reserves	28,213
Consolidated reserves	22,466
Gains or losses recorded directly in equity	(173)
Net income	1,537
Total shareholders' equity (group share)	52,043
Minority interests	3,623
Total capitalization	297,876

The table below sets forth the consolidated capitalization of BPCE SA Group as of June 30, 2013. This table shall supersede and replace the capitalization table in the Base Offering Memorandum.

(in millions of euros)	**June 30, 2013**
Debt securities in issue	222,870
Subordinated debt	9,274
Total debt	232,144
Shareholders' Equity (group share):	
Share capital and reserves	15,532
Consolidated reserves	8,665
Gains or losses recorded directly in equity	(214)
Net income	455
Total shareholders' equity (group share)	24,438
Minority interests	5,572
Total capitalization	256,582

Since June 30, 2013 through October 15, 2013, the Issuer's (parent company only) "debt securities in issue," for which the maturity date as of October 15, 2013 is more than one year, did not increase by more than €4,900 million, and "subordinated debt," for which the maturity date as of October 15, 2013 is more than one year, did not increase by more than €1,000 million.

GOVERNMENT SUPERVISION AND REGULATION OF CREDIT INSTITUTIONS IN FRANCE

This section shall supersede and replace the section entitled "Government Supervision and Regulation of Credit Institutions in France" *in the Base Offering Memorandum.*

The French Banking System

All French credit institutions are required to belong to a professional organization or central body affiliated with the French Credit Institutions and Investment Firms Association (*Association française des établissements de crédit et des entreprises d'investissement*), which represents the interests of credit institutions, payment institutions and investment firms in particular with the public authorities, provides consultative advice, disseminates information, studies questions relating to banking and financial services activities and makes recommendations in connection therewith. Most registered banks, including the Issuer, are members of the French Banking Federation (*Fédération bancaire française*).

French Banking Regulatory and Supervisory Bodies

The French Monetary and Financial Code (*Code monétaire et financier*) sets forth the conditions under which credit institutions, including banks, may operate. The French Monetary and Financial Code vests related supervisory and regulatory powers in certain administrative authorities.

The Financial Sector Consultative Committee (*Comité consultatif du secteur financier*) is made up of representatives of credit institutions, electronic money institutions, investment firms, insurance companies and insurance brokers and client representatives. This committee is a consultative organization that studies the relations between credit institutions, investment firms and insurance companies and their respective clientele and proposes appropriate measures in this area.

The Consultative Committee on Financial Legislation and Regulations (*Comité consultatif de la législation et de la réglementation financières*) reviews, at the request of the French Minister of the Economy, any draft bills or regulations, as well as any draft European regulations relating to the insurance, banking and investment service industry other than those draft regulations issued by the AMF.

The Prudential and Resolution Control Authority (*Autorité de contrôle prudentiel et de résolution* or "**ACPR***"*) supervises financial institutions and insurance firms and is in charge of implementing measures for the prevention and resolution of banking crises and ensuring the protection of consumers and the stability of the financial system. Its powers have been extended to new resolution powers by the French banking reform of July 26, 2013 (*Loi de séparation et de régulation des activités bancaires*). The ACPR is chaired by the governor of the *Banque de France*. With respect to the banking sector, the ACPR makes individual decisions, grants banking and investment firm licenses, and grants specific exemptions as provided in applicable banking regulations. It supervises the enforcement of laws and regulations applicable to banks and other credit institutions, as well as investment firms, and controls their financial standing.

Banks are required to submit periodic (either monthly or quarterly) accounting reports to the ACPR concerning the principal areas of their activities. The main reports and information filed by institutions with the ACPR include periodic regulatory reports, collectively referred to as *états périodiques réglementaires*. They include, among other things, the institutions' accounting and prudential (regulatory capital) filings, which are usually submitted on a quarterly basis, as well as internal audit reports filed once a year, all the documents examined by the institution's management in its twice-yearly review of the business and operations and the internal audit findings and the key information that relates to the credit institution's risk analysis and monitoring. The ACPR may also request additional information that it deems necessary and may carry out on-site inspections (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements). These reports and controls allow close monitoring of the condition of each bank and also facilitate computation of the total deposits of all banks and their use.

The ACPR may order financial institutions to comply with applicable regulations and to cease conducting activities that may adversely affect the interests of clients. The ACPR may also require a financial institution to take measures to strengthen or restore its financial situation, improve its management

methods and/or adjust its organization and activities to its development goals. When a financial institution's solvency or liquidity, or the interests of its clients are or could be threatened, the ACPR is entitled to take certain provisional measures, including: submitting the institution to special monitoring and restricting or prohibiting the conduct of certain activities (including deposit-taking), the making of certain payments, the disposal of assets, and/or the distribution of dividends to its shareholders.

Where regulations have been violated, the ACPR may act as an administrative court and impose sanctions, which may include warnings, fines, suspension or dismissal of managers and deregistration of the bank, resulting in its winding up. The ACPR also has the power to appoint a temporary administrator to manage provisionally a bank that it deems to be mismanaged. The decisions of the ACPR may be appealed to the French administrative supreme court (*Conseil d'Etat*). Insolvency proceedings may be initiated against banks or other credit institutions, or investment firms only after formal consultation with the ACPR.

Furthermore, the ACPR may implement resolution measures, including but not limited to the Bail-In Tool described below, as provided by the French banking reform of July 26, 2013 (*Loi de séparation et de régulation des activités bancaires*).

Banking Regulations

In France, the Issuer must comply with the norms of financial management set by the Minister of the Economy, the purpose of which is to ensure the creditworthiness and liquidity of French credit institutions. These banking regulations are mainly derived from EU directives. New banking regulations implementing the Basel III reforms were adopted on June 26, 2013: 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 ("**CRD IV**") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms ("**CRR**"). CRR will be directly applicable in all EU member states including France as from January 1, 2014. CRD IV is also expected to become effective as of January 1, 2014 but it is possible that in practice implementation under national laws be delayed until after such date.

The Issuer must comply with minimum capital ratio requirements. In addition to these requirements, the principal regulations applicable to credit institutions such as the Issuer concern risk diversification and liquidity, monetary policy, restrictions on equity investments and reporting requirements. As of the date hereof, in the various countries in which the Issuer or its subsidiaries operate, it complies with the specific regulatory ratio requirements in accordance with procedures established by the relevant supervisory authorities.

French credit institutions are required to maintain minimum capital to cover their credit, market, counterparty and operational risks. Currently, French credit institutions are required to meet a minimum capital ratio, obtained by dividing the institution's eligible regulatory capital by its risk-weighted assets, of 8%. In addition, the Groupe BPCE, as well as 3 other French banks, is required to maintain a temporary capital buffer and therefore has been subject to a minimum 9% core Tier 1 ratio since June 30, 2012. As of January 1, 2014, pursuant to CRR, credit institutions will be required to maintain a minimum total capital ratio of 8%, a Tier 1 capital ratio of 6% and a common equity Tier 1 ratio of 4.5%, each to be obtained by dividing the institution's relevant eligible regulatory capital by its risk-weighted assets. In addition, they will have to comply with certain common equity Tier 1 buffer requirements, including a capital conservation buffer of 2.5% that will be applicable to all institutions as well as other common equity Tier 1 buffers to cover countercyclical and systemic risks. These measures will be implemented progressively until 2019.

Each French credit institution is required to calculate, as of the end of each month, the ratio of the weighted total of certain short-term and liquid assets to the weighted total of short-term liabilities. This liquidity ratio (*coefficient de liquidité*) is required to exceed 100% at all times. French credit institutions are entitled to opt for the "advanced" approach with respect to liquidity risk, upon request to the ACPR and under certain conditions. Under the advanced approach, the credit institution is able to use its internal methodologies to determine the liquidity risk and ensure that it has sufficient liquidity at all times to honor its commitments. CRR introduces liquidity requirements from 2015, after an initial observation

period. Institutions will be required to hold liquid assets, the total value of which would cover the net liquidity outflows that might be experienced under gravely stressed conditions over a period of 30 days. This liquidity coverage ratio ("**LCR**") will be phased-in gradually, starting at 60% in 2015 and reaching 100% in 2018. Until the LCR is fully introduced, EU member states may maintain or introduce national liquidity requirements.

French credit institutions must satisfy, on a consolidated basis, certain restrictions relating to concentration of risks (*ratio de contrôle des grands risques*). The aggregate of a French credit institution's loans and a portion of certain other exposure (*risques*) to a single customer (and related entities) may not exceed 25% of the credit institution's regulatory capital as defined by French capital ratio requirements. Individual exposures exceeding 10% (and in some cases 5%) of the credit institution's regulatory capital are subject to specific regulatory requirements.

French credit institutions are required to maintain on deposit with the *Banque de France* a certain percentage of various categories of demand and short-term deposits. Deposits with a maturity of more than two years are not included in calculating the amount required to be deposited. The required reserves are remunerated at a level corresponding to the average interest rate over the maintenance period of the main refinancing operations of the European System of Central Banks.

The CRR will introduce a leverage ratio from January 1, 2018, if implemented by the Council and European Parliament following an initial observation period beginning January 1, 2015, during which institutions will be required to disclose their leverage ratio. The leverage ratio is defined as an institution's tier 1 capital divided by its average total consolidated assets.

The Issuer's commercial banking operations in France are also significantly affected by monetary policies established from time to time by the European Central Bank in coordination with the *Banque de France*. Commercial banking operations, particularly in their fixing of short-term interest rates, are also affected in practice by the rates at which the *Banque de France* intervenes in the French domestic interbank market.

French credit institutions are subject to restrictions on equity investments and, subject to various specified exemptions for certain short-term investments and investments in financial institutions and insurance companies, "qualifying shareholdings" held by credit institutions must comply with the following requirements: (a) no "qualifying shareholding" may exceed 15% of the regulatory capital of the concerned credit institution and (b) the aggregate of such "qualifying shareholdings" may not exceed 60% of the regulatory capital of the concerned credit institution. An equity investment is a "qualifying shareholding" for the purposes of these provisions if (i) it represents more than 10% of the share capital or voting rights of the company in which the investment is made or (ii) it provides, or is acquired with a view to providing, a "significant influence" (*influence notable*, presumed when the credit institution controls at least 20% of the voting rights) in such company.

French regulations permit only licensed credit institutions to engage in banking activities on a regular basis. Similarly, institutions licensed as banks may not, on a regular basis, engage in activities other than banking, bank-related activities and a limited number of non-banking activities determined pursuant to the regulations issued by the French Minister of the Economy. A regulation issued in November 1986 and amended from time to time sets forth an exhaustive list of such non-banking activities and requires revenues from those activities to be limited in the aggregate to a maximum of 10% of total net revenues.

Examination

Besides the resolution powers set out below, the principal means used by the ACPR to ensure compliance by large deposit banks with applicable regulations is the examination of the detailed periodic (monthly or quarterly) financial statements, *états périodiques réglementaires* and other documents that these banks are required to submit to the ACPR. In the event that any examination were to reveal a material adverse change in the financial condition of a bank, an inquiry would be made, which could be followed by an inspection. The ACPR may also inspect banks (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements) on an unannounced basis.

Deposit Guarantees

All credit institutions operating in France are required by law to be a member of the deposit and resolution guarantee fund (*Fonds de Garantie des Dépôts et de Résolution*), except branches of European Economic Area banks that are covered by their home country's guarantee system. Domestic customer deposits denominated in euro and currencies of the European Economic Area are covered up to an amount of €100,000 and securities up to an aggregate value of €70,000, per customer and per credit institution, in both cases. The contribution of each credit institution is calculated on the basis of the aggregate deposits and one-third of the gross customer loans held by such credit institution and of the risk exposure of such credit institution.

Additional Funding

The governor of the *Banque de France*, as chairman of the ACPR, can request that the shareholders of a credit institution in financial difficulty fund the institution in an amount that may exceed their initial capital contribution. However, credit institution shareholders have no legal obligation in this respect and, as a practical matter, such a request would likely be made to Holders of a significant portion of the institution's share capital.

Internal Control Procedures

French credit institutions are required to establish appropriate internal control systems, including with respect to risk management and the creation of appropriate audit trails. French credit institutions are required to have a system for analyzing and measuring risks in order to assess their exposure to credit, market, global interest rate, intermediation, liquidity and operational risks. Such system must set forth criteria and thresholds allowing the identification of significant incidents revealed by internal control procedures. Any fraud generating a gain or loss of a gross amount superior to 0.5% of the Tier 1 capital is deemed significant provided that such amount is greater than €10,000.

With respect to credit risks, each credit institution must have a credit risk selection procedure and a system for measuring credit risk that permit, *inter alia*, centralization of the institution's on- and off-balance sheet exposure and for assessing different categories of risk using qualitative and quantitative data. With respect to market risks, each credit institution must have systems for monitoring, among other things, its proprietary transactions that permit the institution to record on at least a day-to-day basis foreign exchange transactions and transactions in the trading book, and to measure on at least a day-to-day basis the risks resulting from trading positions in accordance with the capital adequacy regulations. The institution must prepare an annual report for review by the institution's board of directors and the ACPR regarding the institution's internal procedures and the measurement and monitoring of the institution's exposure.

Compensation Policy

French credit institutions and investment firms are required to ensure that their compensation policy is compatible with sound risk management principles. A significant portion of the compensation of employees whose activities may have a significant impact on the institution's risk exposure must be performance-based, and a significant fraction of this performance-based compensation must be non-cash and deferred. Under CRD IV, the aggregate amount of variable compensation of the above-mentioned employees cannot exceed the aggregate amount of their fixed salary (the shareholders' meeting may, however, decide to increase this ceiling to two times their fixed salary). EU member states will retain discretion to set stricter standards. The implementation in France of CRD IV, which began with the French banking reform of July 26, 2013 (*Loi de séparation et de régulation des activités bancaires*), requires further government action to conform to such standards. Subject to the enactment of such measures, the cap of variable compensation will apply to compensation awarded for services or performance as from the year 2014.

Money Laundering

French credit institutions are required to report to a special government agency (TRACFIN) placed under the authority of the French Minister of the Economy all amounts registered in their accounts that they

suspect come from drug trafficking or organized crime, from unusual transactions in excess of certain amounts, as well as all amounts and transactions that they suspect to be the result of offence punishable by a minimum sentence of at least one-year imprisonment or that could participate in the financing of terrorism.

French credit institutions are also required to establish "know your customer" procedures allowing identification of the customer (as well as the beneficial owner) in any transaction and to have in place systems for assessing and managing money laundering and terrorism financing risks in accordance with the varying degree of risk attached to the relevant clients and transactions.

French Bail-In Tool and Other Resolution Measures

Among other things, the French banking law dated July 26, 2013 (*Loi de séparation et de régulation des activités bancaires*) charges the ACPR with implementing measures for the prevention and resolution of banking crises and gives the ACPR very broad powers with respect to "failing banks," i.e., banks that, currently or in the near future (i) no longer comply with regulatory capital requirements, (ii) are not able to make payments that are, or will be imminently, due or (iii) require extraordinary public financial support.

In particular, the ACPR may implement the Bail-In Tool, namely a write-down of shareholders' equity and thereafter a write-down or the conversion into equity of subordinated instruments (such as the Subordinated Notes), but not unsubordinated debt, in accordance with their seniority. The ACPR will also be entitled to (i) transfer all or part of the bank's assets and activities, including to a bridge bank, (ii) force a bank to issue new equity, (iii) temporarily suspend payments to creditors and (iv) terminate executives or appoint a temporary administrator (*administrateur provisoire*). Conversion ratios and transfer prices are decided upon by the ACPR on the basis of a "fair and realistic" assessment.

The ACPR must use its powers "in a proportionate manner" to achieve the following objectives: (i) to preserve financial stability, (ii) to ensure the continuity of banking activities, services and transactions of financial institutions, the failure of which would have systemic implications for the French economy, (iii) to protect deposits and (iv) to avoid, or limit to the fullest extent possible, any public bail-out.

Further, recovery and resolution plans are required from credit institutions, or groups of credit institutions, whose balance sheet exceeds a certain threshold that will be fixed by a decree of the French Government. No separate obligation will arise with respect to an entity within the group that is already supervised on a consolidated basis. Each such credit institution or banking group must prepare a recovery plan (*plan préventif de rétablissement*) that will be reviewed by the ACPR. The ACPR is in turn required to prepare a resolution plan (*plan préventif de résolution*) for such credit institution or banking group.

Recovery plans must set out measures contemplated in case of a significant deterioration of a credit institution's financial situation. Such plans must be updated on a yearly basis (or immediately following a significant change in a credit institution's organization or business). The ACPR must assess the recovery plan to determine whether its resolution powers could in practice be effective, and, as necessary, can request changes in a credit institution's organization. More generally, the ACPR will comment on the draft recovery plan and can require modifications. Resolution plans must set out, in advance of any failure, how the various resolution powers set out above are to be implemented for each credit institution, given its specific circumstances.

European Resolution Directive

On June 28, 2013, the Council of the European Union published a revised draft of the legislative proposal for a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Draft RRD**") initially published by the European Commission on June 6, 2012. The stated aim of the Draft RRD is to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses.

The powers provided to "resolution authorities" in the Draft RRD include write down/conversion powers to ensure that capital instruments (including tier 2 capital instruments such as the Subordinated Notes) and

eligible liabilities fully absorb losses at the point of non-viability of the issuing institution (referred to as the "Bail-In Tool"). Accordingly, the Draft RRD contemplates that resolution authorities may require the write down of such capital instruments and eligible liabilities in full on a permanent basis, or convert them in full into common equity tier 1 instruments ("**RRD Non-Viability Loss Absorption**"). The Draft RRD provides, inter alia, that resolution authorities shall exercise the write down power in a way that results in (i) common equity tier 1 instruments being written down first in proportion to the relevant losses, (ii) thereafter, the principal amount of other capital instruments (including tier 2 capital instruments such as the Subordinated Notes) being written down or converted into common equity tier 1 instruments on a permanent basis and (iii) thereafter, eligible liabilities being written off in accordance with a set order of priority.

The point of non-viability under the Draft RRD is the point at which the national authority determines that:

(a) the institution is failing or likely to fail, which includes situations where:

(i) the institution has incurred/will incur in a near future losses depleting all or substantially all its own funds;

(ii) the assets are/will be in a near future less than its liabilities;

(iii) the institution is/will be in a near future unable to pay its obligations; and/or

(iv) the institutions requires public financial support;

(b) there is no reasonable prospect that a private action would prevent the failure; or

(c) a resolution action is necessary in the public interest.

Except for the Bail-In Tool with respect to eligible liabilities, which is expected to apply four years after the entry into force of the Draft RRD (i.e., the twentieth day following its publication in the *Official Journal of the European Union*), it is currently contemplated that the measures set out in the Draft RRD, including the Bail-In-Tool with respect to capital instruments such as the Subordinated Notes, will apply one year after the entry into force of the directive.

The Draft RRD currently represents the only official proposal at the EU level for the implementation in the European Economic Area of the non-viability requirements set out in the press release dated January 13, 2011 issued by the Basel Committee on Banking Supervision (the "**Basel Committee**") entitled "Minimum requirements to ensure loss absorbency at the point of non-viability" (the "**Basel III Non-Viability Requirements**"). The Basel III Non-Viability Requirements form part of the broader Basel III package of new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. The Basel Committee contemplated implementation of the Basel III reforms as of January 1, 2013. However, CRD IV and CRR, which were published in the Official Journal of the European Union on June 27, 2013, will be implemented on January 1, 2014, and it is possible that in practice implementation of CRD IV will be delayed until after such date. CRR contemplates that the Basel III Non-Viability Requirements will be implemented in the European Economic Area by way of the Draft RRD and the RRD Non-Viability Loss Absorption. If such statutory loss absorption at the point of non-viability is not implemented by December 31, 2015 then CRR indicates that the European Commission shall review and report on whether provision for such a requirement should be contained in CRR and, in light of that review, come forward with appropriate legislative proposals.

It is currently unclear whether RRD Non-Viability Loss Absorption, when implemented, will apply to capital instruments (such as the Subordinated Notes) that are already in issue at that time or whether certain grandfathering rules will apply. If and to the extent that such provisions, when implemented, apply to the Subordinated Notes, the Subordinated Notes may be subject to write down or conversion to common equity tier 1 instruments upon the occurrence of the point of non-viability, which may result in Holders losing some or all of their investment in the Subordinated Notes, if such loss absorption measures are acted upon. The exercise of any such power or any suggestion or anticipation of such exercise could, therefore, materially adversely affect the value of the Subordinated Notes.

In addition to RRD Non-Viability Loss Absorption, the Draft RRD provides resolution authorities with broader powers to implement other resolution measures with respect to banks which reach non-viability, which may include (without limitation) the sale of the bank's business, the separation of assets, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments.

The Draft RRD is not in final form and changes may be made to it in the course of the legislative process. Accordingly, it is not yet possible to assess the full impact of the relevant loss absorption provisions. There can be no assurance that, once implemented, the existence of applicable loss absorption provisions or the taking of any actions currently contemplated or as finally reflected in such provisions would not adversely affect the price or value of a Holder's investment in the Subordinated Notes and/or the ability of the Issuer to satisfy its obligations under the Subordinated Notes.

TERMS AND CONDITIONS OF THE NOTES

*This section shall supersede and replace the section entitled "*Terms of the Notes*" in the summary of the Base Offering Memorandum, and the section entitled* "Description of the Notes" *in the Base Offering Memorandum.*

The terms and conditions of the Subordinated Notes (the ***Conditions****) will be as follows:*

1. Introduction

1.1 *Subordinated Notes*: The issue of the US dollar ("**USD**") $1,500,000,000 5.700% Subordinated Notes due 2023 (the "**Subordinated Notes**," which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 12 (*Further Issues*) and forming a single series with the Subordinated Notes) of BPCE (the "**Issuer**") was decided on October 15, 2013, by Roland Charbonnel, Director Group Funding & Investor Relations of the Issuer, acting pursuant to a resolution of the Management Board (*Directoire*) of the Issuer dated June 5, 2013.

1.2 *Issue and Agency Agreement*: The Subordinated Notes are issued with the benefit of a Fiscal Agency Agreement dated as of April 9, 2013, (as supplemented, amended and/or replaced from time to time, the "**Fiscal Agency Agreement**") between the Issuer and The Bank of New York Mellon as fiscal agent (the "**Fiscal Agent**," which expression includes any successor fiscal agent appointed from time to time in connection with the Subordinated Notes) and paying agent (the "**Paying Agent**," which expression includes any successor paying agent appointed from time to time in connection with the Subordinated Notes). References below to the "**Agents**" shall be to the Fiscal Agent and/or the Paying Agent, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Agents. References below to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs below.

2. Interpretation

2.1 *Definitions*: In these Conditions the following expressions have the following meanings:

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

"**Business Day**" means 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 Paris and New York City;

"**Calculation Amount**" means U.S.$1,000;

"**Capital Event**" means that, by reason of a change in, or the interpretation and/or application by the Relevant Regulator of, the criteria set out in the Applicable Banking Regulations for Tier 2 Capital which was not reasonably foreseeable by the Issuer at the Issue Date, the Subordinated Notes cease to comply with such criteria and are fully excluded from the Tier 2 Capital of the Issuer, provided that such exclusion is not as a result of any applicable limits on the amount of Tier 2 Capital;

"**CRD IV Adoption Date**" means the date on which the CRD IV Regulation is deemed to take effect in France according to the terms of the CRD IV Regulation;

"**CRD IV Regulation**" 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 and Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms, as applicable in France and including as amended or replaced;

"**Day Count Fraction**" means, (i) in respect of interest payable on a scheduled Interest Payment Date, 0.5, and (ii) in respect of interest payable other than on a scheduled Interest Payment Date, shall be determined 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;

"**DTC**" means The Depository Trust Company or any successor in interest thereto;

"**Global Note**" has the meaning set forth in Condition 3.1;

"**Holders**" or "**Noteholders**" has the meaning set forth in Condition 3.1;

"**Interest Payment Date**" means April 22 and October 22 of each year from (and including) April 22, 2014;

"**Interest Period**" means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**Issue Date**" means October 22, 2013;

"**Maturity Date**" means October 22, 2023;

"**Outstanding**" means, in relation to the Subordinated Notes, all the Subordinated Notes issued other than (a) those which have been repaid in full in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption monies (including all interest accrued on such Subordinated Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in these Conditions, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) those mutilated or defaced certificated Subordinated Notes which have been surrendered in exchange for replacement Subordinated Notes, (f) (for the purpose only of determining how many Subordinated Notes are outstanding and without prejudice to their status for any other purpose) those certificated Subordinated Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Subordinated Notes have been issued, and (g) any Global Note to the extent that it has been exchanged for certificated Subordinated Notes, provided that for the purpose of determining how many and which Subordinated Notes are outstanding for the purposes of Condition 11 (*Meetings of Noteholders, Modification and Waiver*), those Subordinated Notes, if any, that are for the time being held by or for the benefit of the Issuer or any subsidiary of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality;

"**Rate of Interest**" means 5.700% per annum;

"**Redemption Amount**" means, in respect of any Subordinated Note, its principal amount and "**Redemption Amounts**" means the principal amounts of all of the Subordinated Notes together;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (i) the date on which the payment in question first becomes due and (ii) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders in accordance with Condition 13 (*Notices*);

"**Register**" means the register maintained by the Registrar in accordance with the Fiscal Agency Agreement.

"**Registrar**" means The Bank of New York Mellon as Registrar, or any successor registrar appointed in accordance with the terms of the Fiscal Agency Agreement.

"**Relevant Regulator**" means the *Secrétariat général de l'Autorité de Contrôle Prudentiel et de Résolution* and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer;

"**Securities Act**" means the Securities Act of 1933, as amended;

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

"**Tax Event**" has the meaning given to such term in Condition 6.3 (*Redemption Upon the Occurrence of a Tax Event*); and

"**Tier 2 Capital**" means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time (and shall also include any successor or substitute term applicable pursuant to Applicable Banking Regulations) for the purposes of the Issuer and, until the CRD IV Adoption Date, this shall include all subordinated loans and bonds eligible as upper tier 2 regulatory capital (*fonds propres complémentaires de premier niveau*) as defined in Article 4(c) of the *Comité de la Réglementation Bancaire et Financière* Regulation N° 90-02 of February 23, 1990, as amended, and subordinated loans and bonds eligible as lower tier 2 regulatory capital (*fonds propres complémentaires de deuxième niveau*) as defined in Article 4(d) of the *Comité de la Réglementation Bancaire et Financière* Regulation N° 90-02 of February 23, 1990, as amended.

2.2 *Interpretation*: In these Conditions:

(i) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 8 (*Taxation*) and any other amount in the nature of principal payable pursuant to these Conditions; and

(ii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 8 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions.

3. Form, Denomination, Title and Transfer

3.1 *Form, Denomination and Title*

The Subordinated Notes are in fully registered form, in minimum denominations of U.S.$200,000 and integral multiples of $1,000 in excess thereof. The Subordinated Notes sold in reliance on Rule 144A under the Securities Act will be represented by one or more permanent global notes (together the "**Rule 144A Global Note**") and the Subordinated Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will be represented by one or more permanent global notes (together, the "**Regulation S Global Note**" and, together with the Rule 144A Global Note, the "**Global Notes**"). The Global Notes will be registered in the name of DTC or its nominee and deposited with a custodian for DTC, as described in the Fiscal Agency Agreement.

The Issuer shall procure that there shall at all times be a Fiscal and Paying Agent and one or more Paying Agent, which can be the Fiscal Agent and Paying Agent, for so long as any Note is Outstanding. The Issuer has appointed the Registrar at its office specified below to act as registrar of the Subordinated Notes. The Issuer shall cause to be kept at the specified office of the Registrar for the time being at 101 Barclay Street, New York, New York 10286, a Register with respect to the Issuer on which shall be entered, among other things, the name and address of the Holders of Subordinated Notes and particulars of all transfers of title to Subordinated Notes.

References to "**Noteholders**" and "**Holders**" mean the person or entity in whose name Subordinated Notes are registered in the Register maintained for this purpose pursuant to the Fiscal Agency Agreement. For so long as DTC or its nominee is the registered owner or Holder of a Global Note of a Series, DTC or such nominee, as the case may be, will be considered the

sole Holder of the Subordinated Notes represented by such Global Note for all purposes under the Fiscal Agency Agreement and the Subordinated 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.

Subordinated 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 and, as participants in DTC, Euroclear and/or Clearstream, Luxembourg.

The Subordinated Notes will not be issued in certificated form, and beneficial interests in the Global Notes may not be exchanged for definitive certificated Subordinated Notes, except as set forth under "*Transfers and Exchanges of Subordinated Notes*."

3.2 *Transfers and Exchanges of Subordinated Notes*

(i) *Transfers of interests in Global Notes*

Transfers of beneficial interests in Global Notes will be effected by DTC, 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 Subordinated Notes in certificated form only in authorized denominations and only in accordance with the terms and conditions specified in the Fiscal Agency Agreement.

(ii) *Transfers of Subordinated Notes in Certificated Form*

Subject as provided in paragraph (iv) below and to compliance with all applicable legal and regulatory restrictions, upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement, including the transfer restrictions contained therein, a Note in certificated form may be transferred in whole or in part (in authorized denominations). 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 the Registrar, with the form of transfer thereon duly executed by the Holder or Holders thereof or his, her or their attorney or attorneys duly authorized in writing and (2) complete and deposit such other certifications specified in the Fiscal Agency Agreement and as may be required by such Registrar and (B) such Registrar 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 Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 6 to the Fiscal Agency Agreement). Subject as provided above, the Registrar 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 Registrar 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) *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.

(iv) *Exchanges of Interests in Global Notes for Certificated Subordinated Notes*

Beneficial interests in Global Notes will not be exchangeable for certificated Subordinated Notes and will not otherwise be issuable as certificated Subordinated Notes unless:

(i) DTC notifies the Issuer that it is unwilling or unable to continue as depositary and the Issuer does not appoint a successor within 90 days; or

(ii) DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934, as amended and the Issuer does not appoint a successor within 90 days.

If any of the events described in the preceding paragraph occurs, the Issuer will issue definitive Subordinated Notes in certificated form in an amount equal to a Holder's beneficial interest in the Subordinated Notes. Certificated Subordinated Notes will be issued only in authorized denominations, and will be registered in the name of the person DTC specifies in a written instruction to the Registrar of the Subordinated Notes.

4. Status of the Subordinated Notes

The Subordinated Notes are subordinated notes (constituting *obligations* under French law) issued pursuant to the provisions of Article L. 228-97 of the French *Code de commerce*.

The principal of the Subordinated Notes constitutes direct, unconditional, unsecured and subordinated obligations of the Issuer and ranks *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer with the exception of any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés"* or *engagements subordonnés de dernier rang*).

The interest on the Subordinated Notes constitutes direct, unconditional, unsecured and unsubordinated obligations of the Issuer and ranks *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the Holders in respect of the principal of the Subordinated Notes shall be subordinated to the payment in full of unsubordinated creditors (including depositors and Holders with respect to interest owed on the Subordinated Notes only) and, subject to such payment in full, the Noteholders shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés"* or *engagements subordonnés de dernier rang*).

In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with the principal of the Subordinated Notes will be terminated.

The Noteholders shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

It is the intention of the Issuer that the Subordinated Notes shall, for supervisory purposes, be treated as Tier 2 Capital and, under the current Applicable Banking Regulations, as lower tier 2 subordinated loan capital (*fonds propres complémentaires de deuxième niveau*) within the meaning of Article 4(d) of the *Comité de la Réglementation Bancaire et Financière* Regulation N° 90-02 of February 23, 1990, as amended, but that the obligations of the Issuer and the rights of the Noteholders under the Subordinated Notes shall not be affected if the Subordinated Notes no longer qualify as either such Tier 2 Capital or lower tier 2 subordinated loan capital.

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

5. Interest

5.1 *Interest Rate*: The Subordinated Notes bear interest at the Rate of Interest from (and including) the Issue Date. Interest shall be payable semi-annually in arrears on each Interest Payment Date, subject in any case as provided in Condition 7 (*Payments*). The amount of interest payable per Calculation Amount in respect of any Note for any Interest Period shall be equal to the product of the Rate of Interest, the Calculation Amount, and the Day Count Fraction. Accordingly, the amount of interest payable per Calculation Amount of Subordinated Notes on each Interest Payment date shall be U.S.$28.50.

5.2 *Accrual of Interest*: Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (as well after as before 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 relevant Holder; and

(ii) the day which is seven days after the Fiscal Agent has notified the Holders in accordance with Condition 13 (*Notices*) that it has received all sums due in respect of the Subordinated Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

6. Redemption and Purchase

6.1 *Maturity Date*: Unless previously redeemed or purchased and cancelled as provided below, the Subordinated Notes will be redeemed on the Maturity Date at their Redemption Amount.

6.2 *Redemption Upon the Occurrence of a Capital Event:* Upon the occurrence of a Capital Event, the Issuer may, at its option (but subject to the provisions of Condition 6.6 (*Conditions to Redemption Prior to Maturity Date*)) at any time and having given not more than 45 nor less than 30 calendar days' notice to the Holders in accordance with Condition 13 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Subordinated Notes at their Redemption Amounts, together with accrued interest (if any) thereon.

6.3 *Redemption Upon the Occurrence of a Tax Event*:

(i) If by reason of any change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations enacted and becoming effective on or after the Issue Date, the tax regime of any payments under the Subordinated Notes is modified and such modification results in the amount of the interest payable by the Issuer under the Subordinated Notes that is tax-deductible being reduced, the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 calendar days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 13 (*Notices*), redeem all, but not some only, of the outstanding Subordinated Notes at their Redemption Amounts 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 such interest being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes.

(ii) If by reason of a change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations enacted and becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Subordinated Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8 (*Taxation*), the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 calendar days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13 (*Notices*), redeem all, but

not some only, of the outstanding Subordinated Notes at their Redemption Amounts 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 payment of principal and interest without withholding of such taxes and provided further that the obligation to pay such additional amounts could not have been avoided by reasonable measures available to the Issuer.

(iii) If by reason of any change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations enacted and becoming effective on or after the Issue Date, the Issuer would on the next payment of principal or interest in respect of the Subordinated Notes be required to pay additional amounts pursuant to Condition 8 (*Taxation*), and if the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable (including such additional amounts), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than 10 Business Days' prior notice to the Noteholders in accordance with Condition 13 (*Notices*), redeem all, but not some only, of the outstanding Subordinated Notes at their Redemption Amounts together with accrued interest (if any) thereon, 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 could make payment of the full amount of principal and interest payable without withholding for French taxes.

The Issuer will not give notice under this Condition 6.3 unless (i) it has demonstrated to the satisfaction of the Relevant Regulator that the change referred to in paragraphs (i), (ii) or (iii) above is material and was not reasonably foreseeable at the time of issuance of the Subordinated Notes or (ii) it otherwise complies, to the satisfaction of the Relevant Regulator, with the requirements applicable to redemption for tax reasons under the Applicable Banking Regulations.

6.4 *Purchase*: The Issuer may at any time (but subject to the provisions of Condition 6.6 (*Conditions to Redemption Prior to Maturity Date*)) purchase Subordinated Notes in the open market or otherwise and at any price in accordance with applicable laws and regulations. Subordinated Notes repurchased by or on behalf of the Issuer may be purchased and held in accordance with Article L.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Subordinated Notes for a maximum period of one year from the date of purchase in accordance with Article D. 213-1-A of the French *Code monétaire et financier*.

The Issuer or any agent on its behalf shall have the right at all times to purchase the Subordinated Notes for market making purposes provided that: (a) the prior written approval of the Relevant Regulator shall be obtained; and (b) the total principal amount of the Subordinated Notes so purchased does not exceed the lower of (x) 10% of the initial aggregate principal amount of the Subordinated Notes and such any further Subordinated Notes issued under Condition 12 (*Further Issues*), or (y) 3% of the Tier 2 Capital of the Issuer from time to time outstanding.

6.5 *Cancellation*: All Subordinated Notes which are redeemed or (subject to the first paragraph of condition 6.4 (*Purchases*)) purchased will forthwith (but subject to the provisions of Condition 6.6 (*Conditions to Redemption Prior to Maturity Date*)) be cancelled.

6.6 *Conditions to Redemption Prior to Maturity Date*: The Subordinated Notes may only be redeemed, purchased or cancelled (as applicable) pursuant to Condition 6.2 (*Redemption Upon the Occurrence of a Capital Event*), Condition 6.3 (*Redemption upon the occurrence of a Tax Event*) or Condition 6.4 (*Purchase*), as the case may be, if:

(i) the Relevant Regulator has given its prior written approval to such redemption, purchase or cancellation (as applicable); and

(ii) in the case of a redemption as a result of a Special Event, the Issuer has delivered a certificate to the Fiscal Agent (with copies thereof being available at the Fiscal Agent's specified office during its normal business hours) not less than five Business Days prior to the date set for redemption that such Special Event has occurred or will occur no more than 90 days following the date fixed for redemption, as the case may be.

7. Payments

7.1 *Principal*: Payments of principal in respect of the Subordinated Notes shall, subject as mentioned below, be made against presentation and surrender of the Note at the specified office of any Paying Agent and in the manner provided in paragraph 7.2 below.

7.2 *Interest*: Interest on the Subordinated Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the Interest Payment Date or in case of Subordinated Notes to be cleared through The Depositary Trust Company ("**DTC**"), on the first DTC business day before the due date for payment thereof (the "**Record Date**"). For the purpose of this Condition 7.2, "**DTC business day**" means any day on which DTC is open for business. Payments of interest on each Note shall be made in U.S. dollars by check drawn on a United States bank in and mailed to the Holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the Holder to the specified office of any Paying Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial center of the country of that currency. Payments in respect of Global Notes shall be made by wire transfer to the account of DTC or its nominee.

7.3 *Payments Subject to Fiscal Laws*: All payments in respect of the Subordinated Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*), and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or described in any agreement between the Republic of France and the United States relating to the foreign account provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any agreements, law, regulation or other official guidance implementing an intergovernmental approach thereto (collectively, "**FATCA**"). No commissions or expenses shall be charged to the Holders in respect of such payments.

7.4 *Payments on Business Days*: If the due date for payment of any amount in respect of any Note is not a Business Day, the Holder shall not be entitled to payment of the amount due until the next succeeding Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.

8. Taxation

8.1 *Withholding Tax*: All payments of principal and interest by the Issuer hereunder shall be made free and clear of and without withholding or deduction for any and all present or future taxes, levies, imposts or charges (all such taxes, levies, imposts and charges being hereinafter referred to as "**Taxes**"), except as required by law. If the Issuer shall be required by the laws of a Tax Jurisdiction to deduct any Taxes from or in respect of any sum payable hereunder, the Issuer, shall pay such additional amounts as may be necessary in order that the Holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; provided, however, that the Issuer shall not be liable to pay any such additional amounts with respect to any Note:

(i) to or on behalf of a Holder or beneficial owner who is subject to such Taxes in respect of such Note by reason of the Holder or beneficial owner being connected with the Tax Jurisdiction otherwise than by reason only of the holding of such Note or receipt of payments thereon;

(ii) presented for payment (where presentation is required) 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;

(iii) where such withholding or deduction is imposed on a payment to an individual or to a residual entity within the meaning of the European Council Directive 2003/48/EC and is required to be made pursuant to such Directive or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive, or Directives;

(iv) where such withholding or deduction would not have been so imposed but for the failure to comply, following a timely request by the Issuer, with any applicable certification, identification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with a Tax Jurisdiction of the Holder or beneficial owner if, without regard to any tax treaty, such compliance is required under the tax laws or regulations of a Tax Jurisdiction or any political subdivision or taxing authority thereof or therein to establish an entitlement to an exemption from such withholding or deduction; or

(v) presented for payment (where presentation is required) by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union.

As used herein, "**Tax Jurisdiction**" means the Republic of France or any other jurisdiction in which the Issuer or any of its successors, following a merger or similar event, is or becomes organized or resident for tax purposes, or any political subdivision or taxing authority in or of any of the foregoing.

As used herein the "**Relevant Date**" in relation to any Note means whichever is the later of:

(i) the date on which the payment in respect of such Note first became due and payable; or

(ii) if the full amount of the moneys payable on such a date in respect of such Note has not been received by the 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.

8.2 *Supply of Information:* Each Holder of Subordinated Notes shall be responsible for supplying to the Paying Agent, in a timely manner, any information as may be reasonably required by the latter in order for it to comply with the identification and reporting obligations imposed on it by European Council Directive 2003/48/EC or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or Directives.

9. Agents

In acting under the Fiscal Agency Agreement and in connection with the Subordinated Notes, the Fiscal Agent and the Paying Agent act solely as agent of the Issuer and no such Agent assumes any obligations towards or relationship of agency or trust for or with any of the Holders and it shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Fiscal Agency Agreement or other agreement entered into with respect of its appointment or incidental thereto.

10. Event of Default

There are no events of default under the Subordinated Notes which would lead to an acceleration of the Subordinated Notes if certain events occur. However, if any judgment were

issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason prior to the Maturity Date, then the Subordinated Notes would become immediately due and payable, subject as described in Condition 4 (*Status of the Subordinated Notes*).

11. Meetings of Noteholders, Modification and Waiver

11.1 As the Subordinated Notes are being issued outside of the Republic of France within the meaning of Article L.228-90 of the French *Code de Commerce* and as the Subordinated Notes are governed by and construed in accordance with New York law (save for Condition 4 (*Status of the Subordinated Notes*) which is governed by and construed with in accordance with French law), the provisions of the French *Code de commerce* relating to the *masse* will not apply to the Noteholders.

11.2 *Modification and Amendment:* The Issuer may, with the consent of the Holders of greater than 50% in aggregate principal amount of the outstanding Subordinated Notes and the prior approval of the Relevant Regulator, modify and amend the provisions of such Subordinated Notes, including to grant waivers of future compliance or past default by the Issuer, and if so required, the Issuer will instruct the Agents to give effect to any such amendment, as the case may be, at the sole expense of the Issuer. However, no such amendment or modification will apply, without the consent of each Noteholder affected thereby, to Subordinated Notes owned or held by such Noteholder with respect to the following matters:

(i) to change the stated maturity of the principal of, any installment of or interest on such Subordinated Notes;

(ii) to reduce the principal amount of, the amount of the principal that would be due and payable upon a redemption of, or the rate of interest on such Subordinated Notes;

(iii) to change the currency or place of payment of principal or interest on such Subordinated Notes; and

(iv) to impair the right to institute suit for the enforcement of any payment in respect of such Subordinated Notes.

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

11.3 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:

(i) add to the Issuer's covenants for the benefit of the Noteholders; or

(ii) surrender any right or power of the Issuer in respect of the Subordinated Notes or the Fiscal Agency Agreement; or

(iii) cure any ambiguity in any provision, or correct any defective provision, of the Subordinated Notes; or

(iv) change the terms and conditions of the Subordinated Notes or the Fiscal Agency Agreement in any manner that the Issuer deems necessary or desirable so long as any such change does not, and will not, adversely affect the rights or interest of any affected Noteholder.

11.4 The Issuer may at any time ask for written consent or call a meeting of the Noteholders to seek their approval of the modification of or amendment to, or obtain a waiver of, any provision of the Subordinated Notes. 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.

11.5 If at any time the holders of at least 10% in principal amount for the then Outstanding Subordinated Notes request the Issuer to call a meeting of the Holders of such Subordinated Notes for any purpose, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, the Issuer will call the meeting for such purpose. 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.

11.6 Noteholders who hold greater than 50% in principal amount of the then Outstanding Subordinated Notes 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 Subordinated 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.

11.7 At any meeting when there is a quorum present, Holders of greater than 50% in principal amount of the then Outstanding Subordinated Notes may approve the modification or amendment of, or a waiver of compliance for, any provision of the Subordinated Notes 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.

11.8 *Supplemental Agreements*: Subject to the terms of this Condition 11, the Issuer and the Fiscal Agent may enter into an agreement or agreements supplemental to the Fiscal Agency Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Fiscal Agency Agreement. Upon the execution of any supplemental agreement under the Fiscal Agency Agreement, the Fiscal Agency Agreement shall be modified in accordance therewith, and such supplemental agreement shall form a part of the Fiscal Agency Agreement for all purposes. The Fiscal Agent may, but shall not be obligated to, enter into any such supplemental agreement which affects the Fiscal Agent's own rights, duties or immunities under the Fiscal Agency Agreement or otherwise. If the Issuer shall so determine, new Subordinated Notes, modified so as to conform, in the opinion of the Fiscal Agent and the Issuer, to any such supplemental agreement may be prepared and executed by the Issuer and authenticated and delivered by the Fiscal Agent in exchange for the Subordinated Notes.

12. Further Issues

The Issuer may from time to time, without the consent of the Holders, with the prior approval of the Relevant Regulator, create and issue further Subordinated Notes having the same Terms and Conditions as the Subordinated Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the issue price thereof) so as to form a single series with the Subordinated Notes; provided that such additional notes will be issued with no more than *de minimis* original issue discount for U.S. federal income tax purposes or be part of a qualified reopening for U.S. federal income tax purposes.

13. Notices

Notices to Holders will be provided to the addresses of the Holders that appear on the Register. So long as the Subordinated Notes are in the form of Global Notes held through DTC, notices shall be given through the facilities, and in accordance with the procedures, of DTC.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Subordinated Notes are for the time being listed or by which they have been admitted to trading.

14. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Subordinated Notes shall be prescribed and become void unless made within 10 years (in the case of principal) and 5 years (in the case of interest) from the due date for payment thereof.

15. Governing Law and Jurisdiction

15.1 *Governing Law*: The Subordinated Notes and the Fiscal Agency Agreement shall be governed by, and construed in accordance with the laws of the State of New York, except for Condition 4 (*Status of the Subordinated Notes*), which shall be governed by, and construed in accordance with, French law.

15.2 *Submission to Jurisdiction and Consent to Service of Process in New York*: The Issuer consents to the 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 Subordinated Notes. The Issuer has appointed CT Corporation System as its agent upon whom process may be served in any action brought against it in any U.S. or New York State court in the Borough of Manhattan, City of New York, in connection with the Subordinated Notes.

BOOK-ENTRY PROCEDURES AND SETTLEMENT

*Please see the section of the Base Offering Memorandum entitled "*Book-Entry Procedures and Settlement*" Investors should note that, contrary to the statements in such section, beneficial interests in the Global Notes may not be exchanged for certificated notes upon an Event of Default, because there are no Events of Default in respect of the Subordinated Notes.*

TAXATION

This section shall supplement and, to the extent inconsistent, shall supersede and replace the section entitled "Taxation—United States Taxation" *in the Base Offering Memorandum.*

United States Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a beneficial owner of a Subordinated Note that is a citizen or resident of the United States or a domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of the Subordinated Notes (a "**U.S. holder**"). This summary deals only with U.S. holders that will hold Subordinated Notes as capital assets, and does not address all tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, partnerships and the partners therein, insurance companies, dealers in securities or currencies, traders in securities electing to mark to market, persons that will hold Subordinated Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or persons that have a "functional currency" other than the U.S. dollar.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations, rulings and decisions now in effect, all of which may change. Any change could apply retroactively and could affect the continued validity of this summary.

Investors should consult their own tax advisors in determining the tax consequences to them of holding Subordinated Notes, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

U.S. Treasury Department Circular 230 Notice

To ensure compliance with Treasury Department Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in the Base Offering Memorandum, this Supplement, the applicable Pricing Term Sheet or any document referred to therein or herein is not intended or written to be used, and cannot be used by holders for the purpose of avoiding penalties that may be imposed on them under the Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

Payments of Interest

Payments of interest on a Note will be taxable to a U.S. holder as ordinary income at the time that such payments are paid or accrued (in accordance with the U.S. holder's method of tax accounting). The Subordinated Notes are not expected to be issued with more than a *de minimis* amount of original issue discount ("**OID**") for U.S. federal income tax purposes. If the Subordinated Notes are issued with more than a *de minimis* amount of OID, a U.S. holder generally will be required to include OID in ordinary gross income on a constant-yield basis for U.S. federal income tax purposes as described in "*Taxation—United States Taxation—Original Issue Discount*" in the Base Offering Memorandum.

Purchase, Sale and Retirement of Subordinated Notes

Upon the sale, exchange or retirement of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued qualified stated interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. A U.S. holder's tax basis in a Note generally will equal the cost of such Note to such U.S. holder. Gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Long-term capital gains recognized by an individual U.S. holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income.

Information Reporting and Backup Withholding

The Paying Agent may be required to file information returns with the U.S. Internal Revenue Service ("**IRS**") with respect to payments made to certain U.S. holders of Subordinated Notes. In addition, certain U.S. holders may be subject to backup withholding tax in respect of such payments if they do not provide their taxpayer identification numbers to the Paying Agent. Persons holding Subordinated Notes who are not U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding tax.

Foreign Account Tax Compliance Act

Pursuant to FATCA, holders who hold the Subordinated Notes through foreign financial institutions ("**FFIs**") may be required to provide information and tax documentation regarding their identities as well as the identities of their direct and indirect owners to the FFI. This information may be reported to revenue authorities, including the IRS. In addition, certain payments on Subordinated Notes held in an account at either (i) a "non-participating foreign financial institution" ("**NPFFI**") or (ii) an FFI to which the holder fails to provide certain requested information may be subject to withholding, to the extent such payments are treated as "foreign passthru payments." Such payments may also be subject to withholding if made through an intermediary that is an NPFFI. The FATCA regulations do not currently define the term "foreign passthru payment." An NPFFI is an FFI that has not (i) entered into an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders (an "**FFI agreement"**) or alternatively (ii) complied with the terms of an applicable intergovernmental agreement between the United States and the jurisdiction in which such foreign financial institution operates, and does not otherwise qualify for an exception from the requirement to enter into an FFI agreement.

Assuming that the Subordinated Notes are treated as debt instruments for U.S. federal income tax purposes, FATCA withholding will not apply to payments on the Subordinated Notes, provided they are not materially modified after July 1, 2014. Otherwise, payments on Subordinated Notes held through an NPFFI or made to a holder who fails to provide an FFI with requested information, to the extent such payments are treated as "foreign passthru payments," may be subject to withholding under FATCA, but no earlier than January 1, 2017. FATCA is particularly complex and its application to the Subordinated Notes is uncertain at this time. Each prospective investor should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how this legislation might affect such investor in its particular circumstances.

PLAN OF DISTRIBUTION

This section shall supersede and replace the section entitled "Plan of Distribution" *in the Base Offering Memorandum.*

Pursuant to the Program Agreement dated April 9, 2013 among us the Issuer and the dealers named therein (the "**Program Agreement**") and subject to the terms and conditions in the Program Agreement and the Subscription Agreement, dated October 15, 2013, among us and the Managers, each Manager named below has severally agreed to purchase from us, and we have agreed to sell to such Manager the principal amounts of the Subordinated Notes set forth opposite its name below.

Managers	Principal Amount of the Subordinated Notes
Citigroup Global Markets Inc.	$282,000,000
Deutsche Bank Securities Inc.	$282,000,000
Goldman, Sachs & Co.	$282,000,000
J.P. Morgan Securities LLC.	$282,000,000
Natixis Securities Americas LLC.	$282,000,000
CIBC World Markets Corp.	$15,000,000
nabSecurities, LLC.	$15,000,000
RBC Capital Markets, LLC.	$15,000,000
Standard Chartered Bank.	$15,000,000
Swedbank AB (publ).	$15,000,000
Wells Fargo Securities, LLC.	$15,000,000
Total…….	**$1,500,000,000**

The Managers initially propose to offer the Subordinated Notes for resale at the issue price that appears on the cover of this Offering Memorandum. After the initial offering, the Managers may change the issue price and any other selling terms. The Managers may offer and sell Subordinated Notes through certain of their affiliates. The offering of the Subordinated Notes by the Managers is subject to receipt and acceptance and subject to the Managers' right to reject any order in whole or in part.

The Issuer has agreed to indemnify each Manager against, or to make contributions relating to, certain liabilities in connection with the offering and sale of the Subordinated Notes, including liabilities under the Securities Act.

The Managers may from time to time purchase and sell Subordinated Notes in the secondary market, but they are not obligated to do so, and there can be no assurance that there will be a secondary market for the Subordinated Notes or liquidity in the secondary market if one develops. From time to time, the Managers may make a market for the Subordinated Notes.

Other Relationships

The Managers for this offering include the Issuer's broker-dealer affiliate, Natixis Securities Americas LLC (the "**Broker-Dealer Affiliate**"). The Broker-Dealer Affiliate or other affiliates also may offer and sell previously issued Subordinated Notes as part of their business and may act as a principal or agent in such transactions, although a secondary market for the Subordinated Notes cannot be assured. The Issuer or the Broker-Dealer Affiliate or other affiliates may use this Offering Memorandum in connection with any of these activities, including for market-making transactions involving the Subordinated Notes after their initial sale.

Certain of the Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Managers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Subordinated Notes offered hereby. Any such short positions could adversely affect future trading prices of the Subordinated Notes offered hereby. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Subordinated Notes have not been registered under the Securities Act or the securities laws of any other place. Accordingly, the Subordinated Notes are subject to restrictions on resale and transfer as described under "*Notice to U.S. Investors*." Each Manager will offer or sell the Rule 144A Notes only within the United States to persons it reasonably believes to be "qualified institutional buyers" (within the meaning of Rule 144A) in reliance on Rule 144A.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, and it will have sent to each distributer or Manager to which it sells such Regulation S Notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Subordinated Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of this offering of Regulation S Notes, an offer or sale of Regulation S Notes within the United States by a Manager (whether or not such Manager is participating in such offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each purchaser of the Subordinated Notes will be deemed to have made the acknowledgements, representations and agreements as described under "*Notice to U.S Investors*."

We do not intend to apply for the Subordinated Notes to be listed on any securities exchange or to arrange for the Subordinated Notes to be quoted on any quotation system.

Price Stabilization and Short Positions

In connection with the offering of the Subordinated Notes purchased by one or more Managers as principal on a fixed offering price basis, certain persons participating in the offering (including such Managers) may engage in stabilizing and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the Manager. Stabilizing transactions involve bids to purchase the Subordinated Notes in the open market for the purpose of pegging, fixing or maintaining the prices of the Subordinated Notes. Syndicate covering transactions involve purchases of Subordinated Notes in the open market after the distribution has been completed in order to cover syndicate short positions. Overallotments, stabilizing transactions and syndicate covering transactions may cause the prices of the Subordinated Notes to be higher than it would otherwise be in the absence of those transactions. If the Managers engage in overallotment, stabilizing or syndicate covering transactions, they may discontinue them at any time.

The Managers also may impose a penalty bid. This occurs when a particular Manager repays to the Managers a portion of the underwriting discount received by it because the Managers (or its affiliates) have repurchased Subordinated Notes sold by or for the account of such Manager in stabilizing or syndicate covering transactions.

Neither we nor any of the Managers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Subordinated

Notes. In addition, neither we nor any of the Managers make any representation that the Manager(s) or their representatives, if any, will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Long Settlement Cycle

It is expected that delivery of the Subordinated Notes will occur on or about October 22, 2013, which will be the fifth business day following the initial date of trading of the Subordinated Notes (such settlement cycle being referred to as ("T+5")). Under applicable rules and regulations, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Subordinated Notes on the initial trading date of the Subordinated Notes and the next succeeding business day will be required, by virtue of the fact that the Subordinated Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Subordinated Notes who wish to trade Subordinated Notes on the initial date of trading of the Subordinated Notes or the next succeeding business day should consult their own advisor.

NOTICE TO U.S. INVESTORS

This section shall supersede and replace the section entitled "Notice to U.S. Investors" *in the Base Offering Memorandum.*

Because of the following restrictions on Rule 144A Notes and Regulation S Notes, purchasers are advised to read the below carefully and consult legal counsel prior to making any offer, resale, pledge or other transfer of any Rule 144A Notes or Regulation S Notes.

The Subordinated Notes are subject to restrictions on transfer as summarized below. By purchasing Subordinated Notes, you will be deemed to have made the following acknowledgements, representations to and agreements with the Issuer and the initial purchasers:

1. You acknowledge that:

   - the Subordinated Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

   - unless so registered, the Subordinated Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and, if applicable, in compliance with the conditions for transfer set forth in paragraph (4) below.

2. You represent that:

   - if you are purchasing the Rule 144A Notes, you are a QIB and are purchasing such Subordinated Notes for your own account or for the account of another QIB, and you are aware that the initial purchasers are selling such Subordinated Notes to you in reliance on Rule 144A; or

   - if you are purchasing the Regulation S Notes, you are not a U.S. person (as defined in Regulation S) and are purchasing such Subordinated Notes in an offshore transaction in accordance with Regulation S.

3. You acknowledge that neither the Issuer nor the initial purchasers nor any person representing the Issuer or the initial purchasers has made any representation to you with respect to the Issuer or the offering of the Subordinated Notes, other than the information contained or incorporated by reference in the Offering Memorandum. You agree that you have had access to such financial and other information concerning the Issuer and the Subordinated Notes as you have deemed necessary in connection with your decision to purchase Subordinated Notes, including an opportunity to ask the Issuer questions and request information.

4. You represent that either (a) you are neither (i) an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan, account or arrangement subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), including an entity such as a collective investment fund, partnership or separate account whose underlying assets include the assets of any such plan, account, arrangement (each, a "**Plan**") nor (ii) an employee benefit plan that is a governmental plan (as defined in Section 3(32) of ERISA), non-electing church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA) (each, a "**Non-ERISA Arrangement**") and you are not purchasing or holding the Subordinated Notes on behalf of or with "plan assets" of any Plan or Non-ERISA Arrangement or (b) such purchase and holding of the Subordinated Notes does not constitute and will not result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code or a violation of similar rules under other applicable laws or regulations.

5. If you are a purchaser of Rule 144A Notes pursuant to Rule 144A, you acknowledge and agree that such Subordinated Notes may be offered, sold or otherwise transferred, if prior to the date: (i) that is

at least one year after the later of the last original issue date of such Subordinated Notes and (ii) the date on which the Issuer determines that the legend to this effect shall be deemed removed from the corresponding 144A global note, only:

A) to the Issuer or any of its affiliates;

B) pursuant to an effective registration statement under the Securities Act (the Issuer having no obligation to effect any such registration),

C) to a QIB in compliance with Rule 144A;

D) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; or

E) pursuant to any other available exemption from registration requirements of the Securities Act;

provided that as a condition to registration of transfer of such Subordinated Notes, the Issuer or the fiscal agent may require delivery of any documents or other evidence that the Issuer or the fiscal agent each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

You also acknowledge that each Global Note in respect of Rule 144A Notes will contain a legend substantially to the following effect:

THIS LEGEND SHALL BE REMOVED SOLELY AT THE OPTION OF THE ISSUER.

THE NOTES EVIDENCED HEREBY (THE "**NOTES**") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER, OR AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF, THE SECURITIES ACT. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT;

(2) REPRESENTS THAT EITHER (A) IT IS NEITHER (I) AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), A PLAN, ACCOUNT OR ARRANGEMENT SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR AN ENTITY SUCH AS A COLLECTIVE INVESTMENT FUND, PARTNERSHIP OR SEPARATE ACCOUNT WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT (EACH, A "**PLAN**") NOR (II) AN EMPLOYEE BENEFIT PLAN THAT IS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), NON-ELECTING CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) OR NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) (EACH, A "**NON-ERISA ARRANGEMENT**") AND IT IS NOT PURCHASING OR HOLDING THE NOTES ON BEHALF OF OR WITH "PLAN ASSETS" OF ANY PLAN OR NON-ERISA ARRANGEMENT OR (B) SUCH PURCHASE AND HOLDING OF THE NOTES DOES NOT CONSTITUTE AND WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR RULES UNDER OTHER APPLICABLE LAWS OR REGULATIONS; AND

(3) If you are a purchaser of the Subordinated Notes under Regulation S, you will be deemed to:

(A) acknowledge that the Subordinated Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and, until so registered, may

not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below and

(B) agree that if you should resell or otherwise transfer the Subordinated Notes prior to the expiration of a distribution compliance period (defined as 40 days after the later of the closing date with respect to the Subordinated Notes and the completion of the distribution of the Subordinated Notes), you will do so only (i)(A) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable securities laws of the states of the United States or any other jurisdictions.

You also acknowledge that each Regulation S note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT IS NOT A US PERSON, IS NOT ACQUIRING THIS SECURITY FOR THE ACCOUNT OR BENEFIT OF A US PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION;

(2) REPRESENTS THAT EITHER (A) IT IS NEITHER (I) AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), A PLAN, ACCOUNT OR ARRANGEMENT SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR AN ENTITY SUCH AS A COLLECTIVE INVESTMENT FUND, PARTNERSHIP OR SEPARATE ACCOUNT WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT (EACH, A "**PLAN**") NOR (II) AN EMPLOYEE BENEFIT PLAN THAT IS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), NON-ELECTING CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) OR NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) (EACH, A "**NON-ERISA ARRANGEMENT**") AND IT IS NOT PURCHASING OR HOLDING THE NOTES ON BEHALF OF OR WITH "**PLAN ASSETS**" OF ANY PLAN OR NON-ERISA ARRANGEMENT OR (B) SUCH PURCHASE AND HOLDING OF THE NOTES DOES NOT CONSTITUTE AND WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR RULES UNDER OTHER APPLICABLE LAWS OR REGULATIONS; AND

(3) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE ISSUER OR ANY AFFILIATE THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE.

(4) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT:

A) TO THE ISSUER OR ANY AFFILIATE THEREOF;

B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT (THE ISSUER HAVING NO OBLIGATION TO EFFECT ANY SUCH REGISTRATION);

C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT;

D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR 904 UNDER REGULATION S UNDER THE SECURITIES ACT; OR

E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS RESTRICTIVE LEGEND. THIS LEGEND WILL BE REMOVED AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DAY ON WHICH THE NOTES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATION S) AND (B) THE DATE OF THE CLOSING OF THE ORIGINAL OFFERING. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "US PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH THE FOREGOING, THE ISSUER AND THE FISCAL AGENT RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

6. You acknowledge that the Issuer, the initial purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Subordinated Notes is no longer accurate, you will promptly notify the Issuer and the initial purchasers. If you are purchasing any Subordinated Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

REGISTERED OFFICE OF THE ISSUER

50 avenue Pierre Mendès France
75013 Paris
France

JOINT BOOK-RUNNING MANAGERS

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
United States

Deutsche Bank Securities Inc.
60 Wall Street
New York, New York 10005
United States

Goldman, Sachs & Co.
200 West Street
New York, New York 10282
United States

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10017
United States

Natixis Securities Americas LLC
1251 Avenue of the Americas, 3rd floor
New York, New York 10020
United States

CO-MANAGERS

CIBC World Markets Corp.
300 Madison Avenue, 5th Floor
New York, NY 10017
United States

nabSecurities, LLC
245 Park Ave, 28th floor
New York, NY 10167
United States

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281
United States

Standard Chartered Bank
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London EC2V 5DD
United Kingdom

Swedbank AB (publ)
Large Corporates & Institutions
Attention: Legal E829
SE-105 34 Stockholm
Sweden

Wells Fargo Securities, LLC
Attention: Transaction Management
550 South Tryon Street, 5th Floor
Charlotte, NC 28202
United States

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International Corporate Trust
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United States

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To the Issuer
in respect of French and United States Law

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12, rue de Tilsitt
75008 Paris
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To the Managers
in respect of United States law

Davis Polk & Wardwell LLP
121, avenue des Champs-Elysées
75008 Paris
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AUDITORS TO BPCE

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61 rue Henri Regnault
92075 La Défense Cedex
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92208 Neuilly-sur-Seine
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KPMG Audit, a department of KPMG S.A.
1 Cours Valmy
92923 Paris La Défense Cedex
France

ANNEX A

Base Offering Memorandum dated April 9, 2013, in connection with the U.S. Medium-Term Note Program of BPCE

(the Issuer)
Up to U.S.$10,000,000,000 U.S. Medium Term Notes Program

NATIXIS, NEW YORK BRANCH
(Guarantor of the 3(a)(2) Notes)

BPCE, a French bank (the "Issuer") may offer from time to time notes (the "Notes") with terms and conditions described in this Base Offering Memorandum, in one or more Series (each, a "Series"). The specific terms of each Series of Notes will be set forth in a pricing term sheet (each a "Pricing Term Sheet") or a supplement that is supplemental to this Base Offering Memorandum.

The Notes may be offered pursuant to the exemption from registration provided by Section 3(a)(2) (the "3(a)(2) Notes") of the Securities Act of 1933, as amended (the "Securities Act"), or offered in reliance on the exemption from registration provided by Rule 144A (the "Rule 144A Notes") under the Securities Act ("Rule 144A") only to qualified institutional buyers ("QIBs"), within the meaning of Rule 144A. In addition, Notes may, if specified in the applicable Pricing Term Sheet, be offered outside the United States to non-U.S. persons (as such term is defined in Rule 904 under the Securities Act (a "non-U.S. person")) pursuant to Regulation S (the "Regulation S Notes" and, together with the 3(a)(2) Notes and the Rule 144A Notes, the "Notes") under the Securities Act ("Regulation S"). You should read this Base Offering Memorandum and any applicable supplement or Pricing Term Sheet carefully before you invest in the Notes.

The 3(a)(2) Notes will be entitled to the benefit of an unconditional guarantee (the "Guarantee") of the due payment of principal, interest and other amounts due in respect of the 3(a)(2) Notes, issued by the New York branch of Natixis (a French bank) (the "Branch"), duly licensed in the State of New York (the "Guarantor"). The Rule 144A Notes and the Regulation S Notes will not benefit from the Guarantee.

A conflict of interest (as defined by Rule 5121 of the Financial Industry Regulatory Authority, Inc. ("FINRA")) may exist as Natixis Securities Americas LLC, an affiliate of the Issuer, may participate in the distribution of the 3(a)(2) Notes. For further information, see "Plan of Distribution."

Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 13 of this Base Offering Memorandum and page 107 of the 2012 BPCE Registration Document incorporated by reference herein, and any risk factors that may be described in any documents incorporated by reference herein at a future date.

The 3(a)(2) Notes and the Guarantee are not required to be, and have not been, registered under the Securities Act in reliance on the exemption from the registration requirements thereof provided in Section 3(a)(2) of the Securities Act. The Rule 144A Notes and Regulation S Notes are not required to be, and have not been, registered under the Securities Act, or the state securities laws of any state of the United States or the securities laws of any other jurisdiction. The Rule 144A Notes and Regulation S Notes may not be offered or sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. Prospective purchasers are hereby notified that the sellers of the Rule 144A Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfers and resales, see "Notice to U.S. Investors."

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Notes or determined that this Base Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense. Under no circumstances shall this Base Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Notes, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction.

The Notes constitute unconditional liabilities of the Issuer, and the Guarantee constitutes an unconditional obligation of the Guarantor. None of the Notes or the Guarantee is insured by the Federal Deposit Insurance Corporation or any other governmental or deposit insurance agency.

The Notes are being offered on a continuous basis through the dealers named in this Base Offering Memorandum or through any other dealers named in an applicable Pricing Term Sheet (the "Dealers"). One or more dealers may purchase Notes from the Issuer for resale to investors and other purchasers at a fixed offering price set forth in the relevant Pricing Term Sheet or at varying prices reflecting prevailing market conditions. In addition, if agreed to by the Issuer and a Dealer, such Dealer may utilize reasonable efforts to place the Notes with investors on an agency basis.

Unless otherwise specified in the relevant Pricing Term Sheet, each Note will be represented initially by a global security (a "Global Note") registered in the name of a nominee of The Depository Trust Company (together with any successor, "DTC"). Beneficial interests in Global Notes represented by a global security will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. Global Notes will not be issuable in definitive form, except under the circumstances described under "Book-Entry Procedures and Settlement."

Arranger

NATIXIS SECURITIES AMERICAS LLC

Dealers

Barclays	*BofA Merrill Lynch*	*Citigroup*
Goldman, Sachs & Co.	*J.P. Morgan*	*Morgan Stanley*
Natixis Securities Americas LLC	*Wells Fargo Securities, LLC*	

Base Offering Memorandum dated April 9, 2013

The Issuer and the Guarantor have not authorized anyone to give investors any information other than that contained in this Base Offering Memorandum (including the documents incorporated by reference and any future supplement hereto) and the applicable Pricing Term Sheet, and they take no responsibility for any other information that others may give to investors. Prospective investors should carefully evaluate the information provided by the Issuer and the Guarantor in light of the total mix of information available to them, recognizing that the Issuer and the Guarantor can provide no assurance as to the reliability of any information not contained or incorporated by reference in this Base Offering Memorandum, any supplement hereto, or any Pricing Term Sheet. The delivery of this Base Offering Memorandum at any time does not imply that the information herein is correct as of any time subsequent to its date.

The distribution of this Base Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Guarantor and the Dealers require persons in whose possession this Base Offering Memorandum comes to inform themselves about and to observe any such restrictions. This Base Offering Memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Notes offered hereby by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

Prospective investors hereby acknowledge that (i) they have been afforded an opportunity to request from the Issuer and to review, and have received, all additional information considered by them to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) they have had the opportunity to review all of the documents described herein, and (iii) they have not relied on the Dealers or any person affiliated with the Dealers in connection with any investigation of the accuracy of such information or their investment decision.

This Base Offering Memorandum has not been, and is not required to be, submitted to the French Financial Markets Authority (*Autorité des marchés financiers*) (the "AMF") or any other competent authority for approval as a "prospectus" pursuant to the Prospectus Directive (as defined below).

In making an investment decision, prospective investors must rely on their examination of the Issuer and the Guarantor and the terms of this offering, including the merits and risks involved. The Notes have not been approved or recommended by any United States federal or state securities commission or any other United States, French or other regulatory authority. Furthermore, the foregoing authorities have not passed upon or endorsed the merits of the offering or confirmed the accuracy or determined the adequacy of this Base Offering Memorandum. Any representation to the contrary is a criminal offense in the United States.

Certain persons participating in any offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes, including stabilizing and syndicate covering transactions. For a description of these activities, see "Plan of Distribution." Such activities, if commenced, may be terminated at any time.

The Issuer expects that the Dealers for any offering will include its broker-dealer affiliate, Natixis Securities Americas LLC (the "Broker-Dealer Affiliate"). The Broker-Dealer Affiliate or other affiliates also may offer and sell previously issued Notes as part of their business and may act as a principal or agent in such transactions, although a secondary market for the Notes cannot be assured. The Issuer or the Broker-Dealer Affiliate or other affiliates may use this Base Offering Memorandum in connection with any of these activities, including for market-making transactions involving the Notes after their initial sale.

It is not possible to predict whether the Notes will trade in a secondary market or, if they do, whether such market will be liquid or illiquid. The Dealers reserve the right to enter, from time to time and at any time, into agreements with one or more holders of Notes to provide a market for the Notes but none of the Dealers is obligated to do so or to make any market for the Notes.

After a distribution of a Series of Notes is completed, because of certain regulatory restrictions arising from its affiliation with the Issuer, the Broker-Dealer Affiliate may not be able to make a market in such Series of Notes or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such Series of Notes. Other Dealers unaffiliated with the Issuer will not be subject to such prohibitions.

The Notes are not expected to be listed on any stock exchange unless otherwise stated in the applicable Pricing Term Sheet.

The contents of this Base Offering Memorandum should not be construed as investment, legal or tax advice. This Base Offering Memorandum, as well as the nature of an investment in any Notes, should be reviewed by each prospective investor with such prospective investor's investment advisor, legal counsel and tax advisor.

Any reproduction or distribution of this Base Offering Memorandum, in whole or in part, or any disclosure of its contents or use of any of its information for purposes other than evaluating a purchase of the Notes is prohibited without the express written consent of the Issuer.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the Securities Act or the securities laws of any U.S. state. The 3(a)(2) Notes are being offered in reliance on the exemption from registration provided by Section 3(a)(2) of the Securities Act. The Rule 144A Notes and the Regulation S Notes may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Rule 144A Notes are being offered and sold in the United States only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, and the Regulation S Notes are being offered and sold outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act, as applicable. See "Notice to U.S. Investors" and "Plan of Distribution."

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Base Offering Memorandum has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer of Notes in that Relevant Member State may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

This document is an advertisement for the purposes of applicable measures implementing the Prospectus Directive. If required, a prospectus prepared pursuant to the Prospectus Directive will be published which, when published, can be obtained upon written request mailed to BPCE, 50 avenue Pierre Mendès France, 75201 Paris Cedex 13, France.

AVAILABLE INFORMATION

While any of the Rule 144A Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) and the Issuer is not exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") or Section 15(d) of the Exchange Act, the Issuer will make available, upon request, to any holder of Notes or prospective purchasers of Rule 144A Notes the information specified in Rule 144A(d)(4).

LIMITATIONS ON ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a bank incorporated under the laws of France, and many of its assets are located in France. Many of its subsidiaries, legal representatives and executive officers and certain other parties named herein reside in France, and substantially all of the assets of these persons are located in France. As a result, it may not be possible, or it may be difficult, for a holder or beneficial owner of the Notes located outside of France to effect service of process upon the Issuer or such persons in the home country of the holder or beneficial owner or to enforce against such persons judgments obtained in non-French courts, including those judgments predicated upon the civil liability provisions of the U.S. federal or state securities laws.

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EXCHANGE RATE AND CURRENCY INFORMATION

The following table shows the period-end, average, high and low the Noon Buying Rates in New York City for cable transfers payable in foreign currencies as certified by the Federal Reserve Bank of New York (the "Noon Buying Rates") for the euro, expressed in dollars per one euro, for the periods and dates indicated. On April 5, 2013, the exchange rate as published by Bloomberg at approximately 11:59 p.m. (Paris time) was $1.30 per one euro.

	Noon Buying Rate			
	Period End	**Average[(1)]**	**High**	**Low**
Year:				
2008	1.4332	1.3936	1.5100	1.2547
2009	1.3231	1.3276	1.3751	1.2970
2010	1.2973	1.3931	1.4875	1.2926
2011	1.3919	1.4695	1.6010	1.2446
2012	1.3186	1.2859	1.3463	1.2062
2013 (through April 5)	1.3027	1.3173	1.3692	1.2782
Month:				
January 2013	1.3584	1.3293	1.3584	1.3047
February 2013	1.3079	1.3347	1.3692	1.3054
March 2013	1.2816	1.2953	1.3098	1.2782
April 2013 (through April 5)	1.3027	1.2884	1.3027	1.2836

* The average of the Noon Buying Rates on the last business day of each month (or portion thereof) during the relevant period for annual averages; on each business day of the month (or portion thereof) for monthly average.

Source: Federal Reserve Bank of New York.

Fluctuations in exchange rates that have occurred in the past are not necessarily indicative of fluctuations in exchange rates that may occur at any time in the future. No representations are made herein that the euro or U.S. dollar amounts referred to herein could have been or could be converted into dollars or euros, as the case may be, at any particular rate.

PRESENTATION OF FINANCIAL INFORMATION

In this Base Offering Memorandum, references to "euro," "EUR" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam. References to "$," "U.S.$" and "U.S. dollars" are to United States dollars. References to "cents" are to United States cents. BPCE publishes its consolidated financial statements in euros. See "Exchange Rate and Currency Information."

The audited consolidated financial information as at December 31, 2012, 2011 and 2010 and for the years ended December 31, 2012, 2011 and 2010 for Groupe BPCE and BPCE SA Group (including in the documents incorporated by reference), have been prepared in accordance with IFRS as adopted by the European Union. Certain financial information presented in the documents incorporated by reference constitute non-GAAP financial measures, which exclude certain items contained in the nearest IFRS financial measure or which include certain amounts that are not contained in the nearest IFRS financial measure.

Due to rounding, the numbers presented throughout this Base Offering Memorandum may not add up precisely, and percentages may not reflect precisely absolute figures.

Natixis is a majority-owned subsidiary of BPCE and its results of operations, including those of the Branch, are fully consolidated in the audited consolidated financial statements of Groupe BPCE and BPCE SA Group. Financial information relating to Natixis' core businesses is set forth in Note 9 of each of Groupe BPCE and BPCE SA Group's consolidated financial statements. Such financial statements appear in Section 5 of the 2012 BPCE Registration Document and the 2011 BPCE Registration Document, each incorporated by reference herein. In addition, as a French banking entity within Groupe BPCE, Natixis benefits from the mutual financial solidarity mechanism described herein and in Section 5.1, Note 1.2 of the 2012 BPCE Registration Document. As a result of the foregoing, no separate financial information for Natixis has been provided herein, except for summary financial data.

CERTAIN TERMS USED IN THIS BASE OFFERING MEMORANDUM

The following terms will have the meanings set forth below when used in this Base Offering Memorandum:

"**Banques Populaires**" means 19 Banques Populaires and their subsidiaries (made up of 17 regional banks, CASDEN Banque Populaire and Crédit Coopératif).

"**Caisses d'Epargne**" means the 17 Caisses d'Epargne et de Prévoyance.

"**BPCE**" means BPCE SA, a *société anonyme à Conseil de Surveillance et Directoire*, or, as the context requires, Groupe BPCE or BPCE SA Group.

"**BPCE SA Group**" means BPCE, a *société anonyme*, and its consolidated subsidiaries and associates.

"**Branch**" means the New York branch of Natixis.

"**Groupe BPCE**" means BPCE SA Group, the Banques Populaires, the Caisses d'Epargne and certain affiliated entities.

"**Guarantor**" means the Branch, as guarantor of the 3(a)(2) Notes.

"**Issuer**" means BPCE SA, a *société anonyme*, as issuer of the Notes.

"**Natixis**" means Natixis SA, a *société anonyme à Conseil d'Administration.*

DOCUMENTS INCORPORATED BY REFERENCE

The Issuer has incorporated by reference in this Base Offering Memorandum certain information that it has made publicly available, which means that it has disclosed important information to potential investors by referring them to those documents. The information incorporated by reference is an important part of this Base Offering Memorandum.

This Base Offering Memorandum should be read and construed in conjunction with the following documents incorporated by reference (the "Documents Incorporated by Reference"), which form part of this Base Offering Memorandum. The Documents Incorporated by Reference are comprised of:

a) the English translation of the 2012 BPCE registration document (*document de référence*) (the "2012 BPCE Registration Document"), a French version of which was filed with the AMF under registration number N°D.13-0203, dated March 22, 2013;

b) the English translation of chapters 4 ("Groupe BPCE Management Report") and 5 ("Financial Report") of the 2011 BPCE registration document (*document de référence*) (the "2011 BPCE Registration Document"), a French version of which was filed with the AMF under registration number N°D.12-0246, dated March 30, 2012;

c) the English translation of chapter 5 of the BPCE 2010 registration document (*document de référence*) (the "2010 BPCE Registration Document"), a French version of which was filed with the AMF under registration number N°R.11-012, dated April 4, 2011;

d) the English translation of any future update to the 2012 BPCE Registration Document that may be filed with the AMF; and

e) all documents published by the Issuer and stated in a supplement or Pricing Term Sheet to be incorporated in this Base Offering Memorandum by reference.

Notwithstanding the foregoing, the following statements shall not be deemed incorporated herein:

- the statement by Mr. François Pérol, Chairman of the Management Board of the Issuer, on page 438 of the 2012 BPCE Registration Document; and

- any statement made by the Chairman of the Management Board on behalf of the Issuer referring to the *lettre de fin de travaux* included in any update to the 2012 BPCE Registration Document referred to in paragraph (d) above.

Any statement made in any document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Base Offering Memorandum to the extent that a statement contained in this document, in any supplement to this document, in any Pricing Term Sheet, or in any document incorporated by reference herein in the future, modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Base Offering Memorandum.

The Documents Incorporated by Reference are available on the website of the Issuer (www.bpce.fr). Unless otherwise explicitly incorporated by reference into this Base Offering Memorandum in accordance with paragraphs (a) to (e) above, the information contained on the website of the Issuer shall not be deemed incorporated by reference herein.

FORWARD-LOOKING STATEMENTS

Many statements made or incorporated by reference in this Base Offering Memorandum are forward-looking statements that are not based on historical facts and are not assurances of future results. Many of the forward-looking statements contained in this Base Offering Memorandum may be identified by the use of forward-looking words, such as "believe," "expect," "anticipate," "should," "planned," "estimate" and "potential," among others. The Issuer may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their prospectuses, in press releases and in other written materials and in oral statements made by their officers, directors or employees to third parties. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. All forward-looking statements attributed to BPCE or a person acting on its behalf are expressly qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are made, and the Issuer undertakes no obligation to update publicly any of them in light of new information or future events.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, BPCE's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of factors, including:

- The effects of Groupe BPCE's organizational structure, including risks that BPCE may be required to contribute funds to the entities that are part of the financial solidarity mechanism that encounter financial difficulties, including some entities in which BPCE will hold no economic interest;

- The risks to Groupe BPCE inherent in banking activities including credit risks, market, liquidity and financing risks, operational risks and insurance risks;

- Risks to Groupe BPCE relating to the volatile global and European market and weak economic conditions;

- The effects of the supervisory and regulatory regimes (including tax regulation, capital adequacy requirements and proposed statutory loss absorption mechanisms) in France and other jurisdictions in which Groupe BPCE operates, which are becoming significantly more constraining as a result of the financial crisis;

- Significant interest rate or exchange rate changes that could adversely affect Groupe BPCE's net banking income or profitability;

- Substantial increases in new provisions or a shortfall in the level of previously recorded provisions;

- Potential adverse impacts on Groupe BPCE in the event of a failure of its risk management policies and hedging strategies; and

- Other factors described under "Risk Factors" in this Base Offering Memorandum, including in any documents incorporated by reference therein, and in the 2012 BPCE Registration Document.

Investors should carefully consider the sections entitled "Risk Factors" beginning on page 13 of this Base Offering Memorandum and in the 2012 BPCE Registration Document (beginning on page 107) incorporated by reference herein, and risk factors that may be described in any other document incorporated by reference herein in the future, for a discussion of risks that should be considered in evaluating the offer made hereby.

SUMMARY

The following summary does not purport to be complete and is qualified by the remainder of this Base Offering Memorandum and, in relation to the terms and conditions of any particular Series of Notes, the applicable Pricing Term Sheet. Except as provided in "Description of the Notes" below, any of the following including, without limitation, the kinds of Notes that may be issued hereunder, may be varied or supplemented as agreed between the Issuer, the relevant Dealers and the Fiscal and Paying Agent (as defined herein). Words and expressions defined in "Description of the Notes" shall have the same meanings in this summary.

BPCE AND GROUPE BPCE

BPCE is the central institution of Groupe BPCE, a French mutual banking group. Groupe BPCE includes 36 regional banks, 19 in the Banque Populaire retail banking network, and 17 in the Caisse d'Epargne retail banking network, as well as BPCE and its subsidiaries and affiliates. BPCE's largest subsidiary is Natixis, a publicly listed French bank in which BPCE holds a 72.4% interest.

BPCE does not hold any direct financial interest in the regional banks, which are owned directly or indirectly by more than 8 million cooperative shareholders (mainly customers). As at December 31, 2012, BPCE holds an indirect interest in the regional banks through Natixis, which holds 20% non-voting equity interests in each of the regional banks. Natixis has announced its intention to sell these non-voting equity interests back to the regional banks in 2013.

As the central institution of Groupe BPCE, BPCE's role is to coordinate policies and exercise certain supervisory functions with respect to the regional banks and other affiliated French banking entities (including Natixis), and to ensure the liquidity and solvency of the entire group. The French banking entities in Groupe BPCE are covered by a mutual financial solidarity mechanism that results in BPCE's credit being effectively supported by the financial strength of the entire group (including a €1.237 billion guarantee fund and €36.3 billion of Tier One capital of the Banques Populaire and Caisse d'Epargne networks, in each case as of December 31, 2012).

BPCE is a *société anonyme à Conseil de Surveillance et Directoire* (a limited liability company with a Supervisory Board and a Management Board) and a credit institution licensed as a bank in France, with its registered office at 50 avenue Pierre Mendès France, 75013 Paris, France.

BUSINESS OF GROUPE BPCE

Groupe BPCE is one of the largest banking groups in France. As of December 31, 2012, Groupe BPCE had €1,147.5 billion of total assets, €574.9 billion of outstanding customer loans and €54.4 billion of consolidated shareholders' equity (€50.6 billion group share). It recorded €21.9 billion of consolidated net banking income and €2.1 billion of consolidated net income attributable to equity holders of the parent, in each case for the year ended December 31, 2012. Its activities are conducted primarily through two core business lines:

- **Commercial Banking and Insurance** (67.3% of 2012 net banking income of the core business lines). The commercial banking and insurance business line includes the activities of the Banques Populaires and Caisses d'Epargne retail banking networks, activities relating to real estate financing (mainly through Crédit Foncier de France) and insurance, international banking and certain other banking activities. This core business line includes:

    - The Banques Populaire network, which has a leading position with small and medium enterprises, professional customers as well as individuals. The Banques Populaires had outstanding customer loans of €160.0 billion and customer savings and deposits (including life insurance and mutual fund savings) of €198.7 billion as of December 31, 2012, and they recorded €6.0 billion of net banking income in 2012.

    - The Caisses d'Epargne network, which has a leading role with individual customers as well as professionals, and a strong historic presence in regional development banking (primarily public sector financing and public housing). The Caisses d'Epargne had outstanding customer loans of €185.3 billion and customer savings and deposits (including life insurance and mutual fund

savings) of €358.8 billion as of December 31, 2012, and they recorded €6.8 billion of net banking income in 2012.

- Real estate financing, which includes the activities of the Crédit Foncier group. This division recorded €0.8 billion of net banking income in 2012.

- Insurance, international and other networks, which includes Groupe BPCE's interest in CNP Assurances, BPCE Assurances, subsidiaries located in French overseas territories, international subsidiaries, and Banque Palatine a French bank that provides mainly wealth management services. This division recorded €1.2 billion of net income in 2012.

- **Wholesale Banking, Investment Solutions and Specialized Financial Services** (27.7% of 2012 net banking income of the core business lines). This business line is conducted by Natixis. It includes (i) corporate and investment banking for large corporate and institutional customers, (ii) investment solutions, including asset management, insurance, private banking and private equity, and (iii) specialized financial services, including factoring, leasing, consumer finance, sureties and guarantees, employee benefits planning, payments and securities services.

In addition to these core business lines, Groupe BPCE has equity investments in a number of other entities, including Nexity, a leading French real estate services company, and Coface, a world leader in receivables management. Groupe BPCE also maintains a Workout Portfolio Management and Other business line, which includes Natixis' segregated workout portfolio segment, consisting of activities affected by the financial crisis and managed in run-off mode. The remainder of Groupe BPCE's business consists of corporate center activities (including BPCE's activities as the central body of Groupe BPCE).

BPCE SA GROUP

The BPCE SA Group includes BPCE and its consolidated subsidiaries and affiliates, including Natixis. BPCE SA Group does not include the Banques Populaires and Caisses d'Epargne in the scope of consolidation. Instead, they are accounted for by the equity method based on the 20% non-voting equity interests held by Natixis. This will no longer be the case once Natixis sells the non-voting equity interests back to the Banques Populaires and the Caisses d'Epargne.

As of December 31, 2012, BPCE SA Group had €775.7 billion of total assets, €228.8 billion of outstanding customer loans and €31.1 billion of consolidated shareholders' equity (€24.7 billion group share). It recorded €9.2 billion of consolidated net banking income and €1,565 million of consolidated net income attributable to equity holders of the parent, in each case for the year ended December 31, 2012.

THE GUARANTOR

The Guarantor of the 3(a)(2) Notes is the New York branch (the "Branch") of Natixis. As mentioned above, Natixis is the wholesale banking, investment management and specialized financial services arm of Groupe BPCE. Its shares are listed on the Paris stock exchange.

Natixis is a *société anonyme à Conseil d'Administration* (a limited liability company with a Board of Directors) and a credit institution licensed as a bank in France, with its registered office at 30 avenue Pierre Mendès France, 75013 Paris, France.

Natixis operates the Branch pursuant to a license issued by the Superintendent of Financial Services of the State of New York (the "Superintendent") in 1976. The Branch conducts an extensive banking business serving U.S. customers and Natixis' French clients and their U.S. subsidiaries. The Branch's principal office is located at 1251 Avenue of the Americas, 3rd floor, New York, NY 10020, United States and its telephone number is (212) 872-5000.

REGULATORY CAPITAL RATIOS

As of December 31, 2012, the total solvency ratio of Groupe BPCE (based on Basel 2.5 standards, unfloored) was 12.5%, its total Tier 1 ratio was 12.2% and its Core Tier 1 Ratio was 10.7%. As of the same

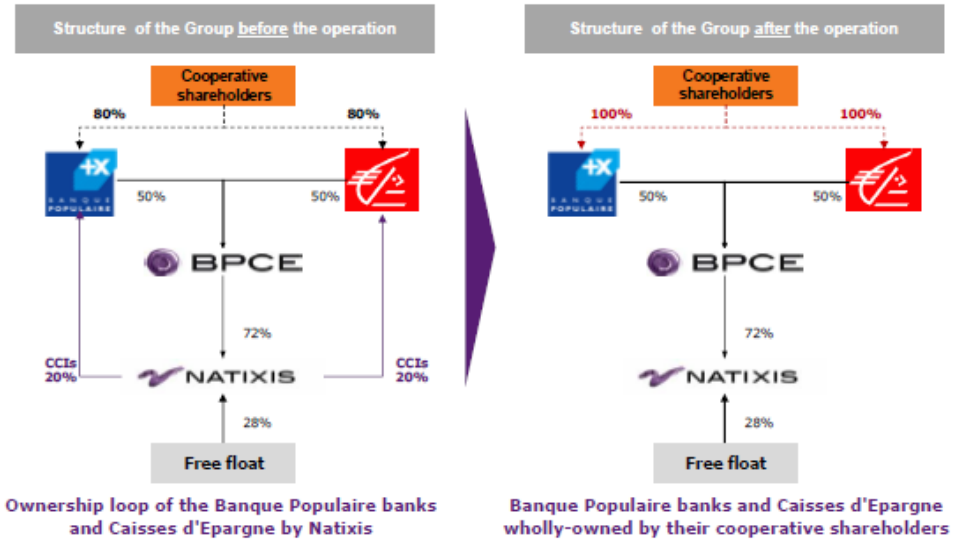
date, the total solvency ratio of the BPCE SA Group (based on the same standards) was 11.7% and its total Tier 1 ratio was 11.8%.

REPURCHASE OF NON-VOTING EQUITY INTERESTS HELD BY NATIXIS

On February 17, 2013, Groupe BPCE and Natixis announced plans to substantially simplify the group's organizational structure. The Banques Populaires and the Caisses d'Epargne will repurchase from Natixis the non-voting equity interests (known as CCIs, or *certificats coopératifs d'investissement*) held by Natixis, for an aggregate price of €12.1 billion. Following the cancellation of the non-voting equity interests, these banks will be fully owned by their cooperative shareholders. The repurchase is expected to be accompanied by the unwinding of associated financing agreements and intra-group mechanisms.

The transaction is subject to approval by employee representative bodies of the Banques Populaires and the Caisses d'Epargne, as well as the supervisory boards of the Caisse d'Epargne and the boards of directors of the Banques Populaires, which is expected to take place by August 2013. If it is approved, the transaction is expected to take place by September 30, 2013.

Groupe BPCE's structure before and after the repurchase transaction is illustrated in the following chart:



Ownership loop of the Banque Populaire banks and Caisses d'Epargne by Natixis

Banque Populaire banks and Caisses d'Epargne wholly-owned by their cooperative shareholders

Natixis has announced that it intends to pay an extraordinary dividend of €2 billion following the completion of the transaction. As the holder of 72.4% of the shares of Natixis, BPCE will receive approximately €1.45 billion of this amount.

In 2012, the non-voting equity interests in the Banques Populaires and the Caisses d'Epargne contributed approximately €334 million to the consolidated net income attributable to equity holders of the parent of BPCE SA Group.

Terms of the Notes

The following summarizes the terms of the Notes the Issuer may issue from time to time under this Base Offering Memorandum. The terms contained in the first section below are applicable to all series of Notes that may be issued hereunder. Terms specific to the 3(a)(2) Notes and the 144A Notes are indicated in the second and third sections below. For a further description of the terms and conditions of the Notes, see "Description of the Notes."

I. Terms Applicable to All Notes

Issuer	BPCE
Arranger.....	Natixis Securities Americas LLC.
Dealers.....	Natixis Securities Americas LLC, Barclays Capital Inc., Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, and any other Dealer appointed by the Issuer from time to time.
Offered Amount.....	The Issuer may use this Base Offering Memorandum to offer an aggregate principal amount of Notes of up to U.S.$10 billion, or its equivalent in other currencies.
Maturities.....	Any maturity in excess of one day, or in any case such other minimum maturity as may be required from time to time by the relevant regulatory authority. No maximum maturity is contemplated.
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. The Notes may be offered by Dealers at a fixed price or at a price that varies depending on market conditions.
Denominations.....	Unless otherwise specified in the applicable Pricing Term Sheet, Notes will be issued in minimum denominations of U.S. $250,000 and multiples of U.S.$1,000 in excess thereof, subject to compliance with all legal and regulatory requirements applicable to the relevant Specified Currency (as defined in the Description of the Notes).
Currencies.....	Except as specified in the applicable Pricing Term Sheet, Notes will be denominated in and payments in respect of an issue of Notes will be made in, U.S. dollars.
Form of Notes.....	Unless otherwise specified in the applicable Pricing Term Sheet, 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. Investors may hold a beneficial interest in Notes through DTC, or through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), in each as a participant in DTC, 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, except in the limited circumstances described in the Notes and/or the applicable Pricing Term Sheet, 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 (as defined herein) for the Notes.

Status of the Notes..... Unless otherwise specified in the applicable Pricing Term Sheet, the Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of the Issuer.

In the event that the Issuer decides to issue subordinated Notes, the terms relating to the subordination will be set forth in a supplement to this Base Offering Memorandum. Unless this Base Offering Memorandum is accompanied by such a supplement, the term "Notes" as used herein does not include subordinated notes.

Fixed Rate Notes ..... Fixed rate notes ("Fixed Rate Notes") will bear interest at the rate set forth in the applicable Pricing Term Sheet. Interest on Fixed Rate Notes will be payable on the dates specified in the applicable Pricing Term Sheet and on redemption.

Interest will be calculated on the basis of the Day Count Fraction (as defined in the Description of the Notes) agreed to between the Issuer and the relevant Dealers and specified in the applicable Pricing Term Sheet.

Floating Rate Notes ..... Floating rate notes ("Floating Rate Notes") will bear interest at a rate calculated:

i. by reference to the benchmark specified in the relevant Pricing Term Sheet (LIBOR, LIBID, LIMEAN, EURIBOR or another benchmark) as adjusted for any applicable margin; or

ii. on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency (as defined in the Description of the Notes) governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or

iii. as otherwise specified in the relevant Pricing Term Sheet.

Interest periods will be specified in the relevant Pricing Term Sheet.

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, and will be set forth in the applicable Pricing Term Sheet. Interest on Floating Rate Notes will be payable and will be calculated as specified, prior to issue, in the applicable Pricing Term Sheet. 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 Pricing Term Sheet.
Other Notes.....	The Issuer and the Dealers may agree to issue from time to time other types of Notes, including but not limited to linked notes, dual currency Notes, zero coupon Notes or indexed Notes. Terms applicable to any other such types of Notes will be set forth in a supplement to this Base Offering Memorandum and/or the applicable Pricing Term Sheet.
Redemption.....	The applicable Pricing Term Sheet will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons), or that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes 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 Pricing Term Sheet. Except as set forth in the applicable Pricing Term Sheet, the Notes will be redeemable at the option of the Issuer upon the occurrence of certain changes in tax law.
Repurchase	The Issuer and any of its affiliates may at any time purchase Notes in the open market or otherwise and at any price. Such Notes may be held, reissued or, at the option of the Issuer, surrendered to the Registrar for cancellation (subject to any requirements of French law).
Negative Pledge.....	The terms of the Notes will contain a negative pledge provision as described under “Description of the Notes—Negative Pledge.”
Events of Default.....	Events of Default in respect of the Notes will include failure to pay principal or interest, failure to comply with other obligations, in each case subject to certain grace periods described herein and cross default, as well as any merger involving the Issuer where the surviving entity does not assume the Issuer’s obligations under the Notes, and certain bankruptcy, insolvency and similar events.

Rating	Unless otherwise specified in the applicable Pricing Term Sheet, the Notes issued under the program are expected to be rated A2 by Moody's, A by S&P and A+ by Fitch. The rating, if any, of certain Series of Notes to be issued pursuant to this Base Offering Memorandum from time to time may be specified in the applicable Pricing Term Sheet. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Neither the rating agency nor the Issuer is obligated to provide you with any notice of any suspension, change or withdrawal of any rating.
Listing.....	The Issuer does not expect to list the Notes on any stock exchange or automated quotation system, although they may do so with respect to a particular Series of Notes. The Pricing Term Sheet 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 will be governed by, and construed in accordance with, the laws of the State of New York; except that provisions of the Notes relating to their status will be governed by, and construed in accordance with, French law.
Distribution.....	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. Each Pricing Term Sheet 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 or in reliance on Rule 144A and, if in reliance on Rule 144A, whether they will also be offered pursuant to Regulation S.
Fiscal and Paying Agent.....	The Bank of New York Mellon.
Registrar	The Bank of New York Mellon.
Calculation Agent.....	The Bank of New York Mellon, or as otherwise specified in the applicable Pricing Term Sheet.
Use of Proceeds	Unless otherwise indicated in the applicable Pricing Term Sheet, the Issuer will use the net proceeds it receives from any offering of the Notes for general corporate purposes. A portion of the net proceeds from an offering of the Notes may be on-lent to Natixis.

II. Terms Applicable to the 3(a)(2) Notes

Guarantor of the 3(a)(2) Notes	Natixis, acting through the Branch.

Guarantee.....	The obligations of the Issuer to pay principal, interest and other amounts (including any additional amounts) under the 3(a)(2) Notes will be guaranteed by the Guarantor. The Guarantor's obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and will at all times rank *pari passu* with all present and future unsecured and unsubordinated indebtedness and obligations of the Guarantor, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise, other than statutorily preferred exceptions. Unless otherwise specified in the applicable Pricing Term Sheet, any subordinated notes will not be guaranteed by the Guarantor.
Governing law of the Guarantee.....	The Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; except that the provisions of the Guarantee relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law.
Conflicts of Interest	Natixis Securities Americas LLC is a broker-dealer subsidiary of the Issuer and the Guarantor and a Dealer for the Notes offered hereby. As a result, a conflict of interest under FINRA Rule 5121 is deemed to exist, and any offer or sale of the 3(a)(2) Notes by Natixis Securities Americas LLC will be conducted in accordance with the applicable provisions of such rule. See "Plan of Distribution—The 3(a)(2) Notes—Conflicts of Interest with Respect to the 3(a)(2) Notes."
No Registration.....	The 3(a)(2) Notes and the Guarantee have not been, and are not required to be, registered under the Securities Act.

III. Terms Applicable to the Rule 144A Notes and Regulation S Notes

Transfer Restrictions.....	The Rule 144A Notes and the Regulation S 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. The Rule 144A Notes are being offered and sold in the United States only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, and the Regulation S Notes are being offered and sold outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act, as applicable. See "Notice to U.S. Investors."
No Registration.....	The Issuer has not registered, and will not register, the Rule 144A Notes or the Regulation S Notes under the Securities Act or any state securities laws.

SUMMARY FINANCIAL DATA

The following tables present summary financial data concerning Groupe BPCE, BPCE SA Group and Natixis as of and for the years indicated, which were derived from the consolidated financial statements of Groupe BPCE, BPCE SA Group and Natixis, respectively, each of which was prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Summary Financial Data of Groupe BPCE

Summary Consolidated Historical Balance Sheet Data for Groupe BPCE

	At December 31,		
	2010	**2011**	**2012**
		(in millions of euros)	
Assets			
Financial assets at fair value through profit and loss	167,523	225,477	214,991
Available-for-sale financial assets	68,057	84,826	83,409
Loans and receivables due from banks	140,546	141,471	118,795
Loans and receivables due from customers	562,565	571,880	574,856
Held-to-maturity financial assets	9,187	8,864	11,042
Other assets	100,564	105,877	144,428
Total Assets	**1,048,442**	**1,138,395**	**1,147,521**
Liabilities and Shareholders' Equity			
Financial liabilities at fair value through profit and loss	160,450	227,996	194,793
Due to banks	105,102	117,914	111,399
Due to customers	393,992	398,737	430,519
Debt securities	222,890	222,318	230,501
Insurance companies' technical reserves	45,506	46,785	49,432
Provisions	4,791	4,634	4,927
Other liabilities	50,499	59,255	61,719
Subordinated debt	13,847	11,882	9,875
Minority interests	3,980	3,738	3,802
Shareholders' equity (Group share)	47,385	45,136	50,554
Total Liabilities and Shareholders' Equity	**1,048,442**	**1,138,395**	**1,147,521**

Summary Consolidated Income Statement Data for Groupe BPCE

	Year ended December 31,		
	2010	**2011**	**2012**
		(in millions of euros)	
Net banking income	23,359	23,357	21,946
Gross operating income/(loss)	7,302	7,476	6,011
Cost of risk	(1,654)	(2,769)	(2,199)
Operating income/(loss)	5,648	4,707	3,812
Share in income from associates	217	(7)	186
Minority interests	(393)	(338)	(230)
Net income, group share	**3,640**	**2,685**	**2,147**

Capital Ratio Data for Groupe BPCE

	At December 31,		
	2010	**2011**	**2012**
Capital adequacy ratio.....	11.6%	11.6%	12.5%
Tier 1 ratio	10.1%	10.6%	12.2%
Core Tier 1 ratio[(1)].....	8.1%	9.1%	10.7%

(1) Core Tier 1 ratio increase in 2012 includes 0.45% from retained earnings, 0.60% from the issuance of cooperative shares and 0.55% from changes in risk-weighted assets and other factors.

Summary Financial Data of BPCE SA Group

Summary Consolidated Historical Balance Sheet Data for BPCE SA Group

	At December 31,		
	2010	**2011**	**2012**
		(in millions of euros)	
Assets			
Financial assets at fair value through profit and loss	161,612	234,751	224,554
Available-for-sale financial assets	41,374	51,335	46,508
Loans and receivables due from banks	183,307	167,086	140,554
Loans and receivables due from customers	260,415	245,247	228,759
Held-to-maturity financial assets	6,151	4,626	5,197
Other assets	88,558	92,683	130,114
Total Assets	**741,417**	**795,728**	**775,686**
Liabilities and Shareholders' Equity			
Financial liabilities at fair value through profit and loss	6,753	229,834	198,296
Due to banks	153,565	162,798	153,136
Due to customers	77,446	61,212	72,028
Debt securities	223,014	212,382	216,593
Insurance companies' technical reserves	40,502	41,656	43,828
Provisions	1,993	2,026	2,223
Other liabilities	38,751	45,705	48,523
Subordinated debt	14,212	12,109	9,959
Minority interests	5,923	6,124	6,419
Shareholders' equity (Group share)	25,146	21,571	24,681
Total Liabilities and Shareholders' Equity	**741,417**	**795,417**	**775,686**

Summary Consolidated Income Statement Data for BPCE SA Group

	Year ended December 31,		
	2010	**2011**	**2012**
		(in millions of euros)	
Net banking income	9,267	9,110	8,084
Gross operating income/(loss)	2,359	2,516	1,637
Cost of risk	(526)	(1,671)	(1,036)
Operating income/(loss)	1,833	845	601
Share in income from associates	685	554	631
Minority interests	(451)	(433)	(323)
Net income, group share	**1,565**	**402**	**659**

Capital Ratio Data for BPCE SA Group

	At December 31,		
	2010	**2011**	**2012**
Capital adequacy ratio	12.1%	10.9%	11.7%
Tier 1 ratio	10.0%	9.6%	11.8%

Summary Financial Data of Natixis

Summary Consolidated Historical Balance Sheet Data for Natixis

	At December 31,		
	2010	**2011**	**2012**
		(in millions of euros)	
Assets			
Financial assets at fair value through profit and loss	161,208	245,625	231,870
Available-for-sale financial assets	33,938	35,143	38,485
Loans and receivables to banks	68,063	48,643	61,932
Customer loans and receivables	128,049	111,820	99,418
Held-to-maturity financial assets	5,032	4,037	3,506
Other assets	61,719	62,444	93,159
Total Assets	**458,009**	**507,712**	**528,370**
Liabilities and Shareholders' Equity			
Financial liabilities at fair value through profit and loss	158,856	232,184	200,913
Due to banks	106,616	108,630	127,754
Customer deposits	59,873	44,483	54,550
Debt securities	38,219	25,879	46,085
Insurance companies' technical reserves	39,913	40,930	42,996
Provisions for impairment	1,229	1,271	1,315
Other liabilities	24,489	26,969	31,241
Subordinated debt	7,447	6,178	4,216
Minority interests	436	520	542
Equity group share	20,931	20,668	19,478
Total Liabilities and Shareholders' Equity	**458,009**	**507,712**	**528,370**

Summary Consolidated Income Statement Data for Natixis

Summary Consolidated Income Statement	**Year ended December 31,**		
	2010	**2011**	**2012**
		(in millions of euros)	
Net revenues	**6,375**	**6,759**	**6,271**
Gross operating income/(loss)	**1,697**	**1,922**	**1,207**
Provision for credit losses	(176)	(366)	(448)
Net operating income/(loss)	**1,521**	**1,541**	**759**
Share in income from associates	500	594	480
Net income/(loss) for the period attributable to equity holders of the parent	**1,732**	**1,562**	**901**

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 Base Offering Memorandum. 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 and any risk factors in any applicable Pricing Term Sheet 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.

The discussion below identifies certain risks that are applicable to the business of Groupe BPCE. Substantially all such risks are equally applicable to the business of Natixis. As such, any given discussion of a risk applicable to Groupe BPCE should be assumed to apply to Natixis, both as a member of the Groupe BPCE as well as an individual entity, unless indicated otherwise below. However, these risk factors do not disclose all possible risks associated with Groupe BPCE and Natixis, either as a group or as individual entities, 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 RELATING TO GROUPE BPCE

Risks relating to Groupe BPCE's activities and the banking sector

Groupe BPCE is subject to several categories of risks inherent in banking activities

There are four main categories of risks inherent in Groupe BPCE's activities, which are summarized below. The risk factors that follow elaborate on or give specific examples of these different types of risks, and describe certain additional risks faced by Groupe BPCE.

- *Credit Risk.* Credit risk is the risk of financial loss relating to the failure of a counterparty to honor its contractual obligations. The counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government and its various entities, an investment fund, or a natural person. Credit risk arises in lending activities and also in various other activities where Groupe BPCE is exposed to the risk of counterparty default, such as its trading, capital markets, derivatives and settlement activities. With respect to home loans, the degree of credit risk also depends on the value of the home that secures the relevant loan. Credit risk also arises in connection with the factoring businesses of Groupe BPCE, although the risk relates to the credit of the counterparty's customers, rather than the counterparty itself.

- *Market and Liquidity Risk.* Market risk is the risk to earnings that arises primarily from adverse movements of market parameters. These parameters include, but are not limited to, foreign exchange rates, bond prices and interest rates, securities and commodities prices, derivatives prices, credit spreads on financial instruments and prices of other assets such as real estate.

  Liquidity is also an important component of market risk. In instances of little or no liquidity, a market instrument or transferable asset may not be negotiable at its estimated value (as was the case for some categories of assets in the recent disrupted market environment). A lack of liquidity can arise due to diminished access to capital markets, unforeseen cash or capital requirements or legal restrictions.

  Market risk arises in trading portfolios and in non-trading portfolios. In non-trading portfolios, it encompasses:

- the risk associated with asset and liability management, which is the risk to earnings arising from asset and liability mismatches in the banking book or in the insurance business. This risk is driven primarily by interest rate risk;

- the risk associated with investment activities, which is directly connected to changes in the value of invested assets within securities portfolios, which can be recorded either in the income statement or directly in shareholders' equity; and

- the risk associated with certain other activities, such as real estate, which is indirectly affected by changes in the value of negotiable assets held in the normal course of business.

- *Operational Risk.* Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Internal processes include, but are not limited to, human resources and information systems, risk management and internal controls (including fraud prevention). External events include floods, fires, windstorms, earthquakes or terrorist attacks.

- *Insurance Risk.* Insurance risk is the risk to earnings due to mismatches between expected and actual claims. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics, accidents and catastrophic events (such as earthquakes, windstorms, industrial disasters, or acts of terrorism or war).

Recent economic and financial conditions in Europe have had and may continue to have an impact on Groupe BPCE and the markets in which it operates.

European markets have recently experienced significant disruptions as a result of concerns regarding the ability of certain countries in the euro-zone to refinance their debt obligations, limited economic growth and political uncertainty in certain countries. These disruptions have caused volatility in the exchange rate of the euro against other major currencies, affected the levels of stock market indices and created uncertainty regarding the near-term economic prospects of countries in the European Union as well as the quality of debt obligations of sovereign debtors in the European Union. There has also been an indirect impact on financial markets and economies, in Europe and worldwide.

While Groupe BPCE's holdings of sovereign bonds affected by the crisis has been limited, Groupe BPCE has been indirectly affected by the spread of the euro-zone crisis, which has affected most countries in the euro-zone, including the group's home market of France. The credit ratings of French sovereign obligations were downgraded in 2011 and 2012, resulting mechanically in a downgrading of the credit ratings of French commercial banks, including those of the Groupe BPCE entities. More recently, anti-austerity sentiment has led to political uncertainty in certain European countries.

In addition, the perception of the impact of the European crisis on French banks made certain market participants, such as U.S. money market funds, less willing to extend financing to French banks than they were in the past, affecting the access of French banks, including the Groupe BPCE entities, to liquidity, particularly in U.S. dollars. This situation was particularly severe in 2011, and has remained challenging in certain peripheral European countries throughout 2012. There can be no assurance that this adverse market environment will not persist or deteriorate.

If economic or market conditions in France or elsewhere in Europe were to deteriorate further, particularly in the context of an exacerbation of the sovereign debt crisis (such as a sovereign default, the perception that a sovereign might withdraw from the euro, the actual withdrawal by a sovereign from the euro, or the expansion of taxation of deposits as a crisis management tool), the markets in which Groupe BPCE operates could be more significantly disrupted, and its business, results of operations and financial condition could be adversely affected.

The global financial crisis, including disruptions in global credit markets, has had an adverse impact on Groupe BPCE's earnings and financial condition, and may continue to have an adverse impact in the future.

The activities, earnings and financial condition of the entities in Groupe BPCE (including Natixis) were affected by the significant and unprecedented disruptions in the financial markets, in particular in the primary and

secondary debt markets, that occurred from 2007 to 2009, and that continue to affect financial markets globally. If adverse market conditions continue or worsen, Groupe BPCE's results of operations could be adversely affected.

During the global financial crisis, reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced or ceased providing funding to borrowers, including to other financial institutions. This market turmoil and the tightening of credit led to an increased level of commercial and consumer delinquencies, a lack of consumer confidence, increased market volatility, steep declines in stock market indices and a widespread reduction of business activity generally. Conditions in the debt markets included reduced liquidity and increased credit risk premiums, which significantly increased the cost of debt funding. The significant disruption of the secondary debt market exacerbated these conditions and reduced the availability of financing for new loan production.

The disruptions to the financial markets included the disappearance of trading markets for many complex assets, particularly those based on subprime mortgage loans. The resulting uncertainty regarding asset values led to substantial write-downs on the books of global financial institutions, including those of Natixis and Groupe BPCE. Natixis has incurred significant losses in recent years, and may continue to post losses, on its portfolio of assets impacted by the financial crisis (known as the Workout Portfolio Management segment, or "GAPC," reflecting its French name). In addition, Groupe BPCE has provided a guarantee to Natixis, under which Groupe BPCE will absorb the large majority of any future losses on the GAPC portfolio.

More generally, other asset categories were affected as institutions sold them to meet liquidity needs. Adverse conditions spread to the economy generally as the lack of liquidity in financial markets affected the cost and availability of financing for businesses. A significant renewal of these market disruptions could have an adverse impact on our results of operations and financial condition.

Legislative action and regulatory measures in response to the global financial crisis may materially impact Groupe BPCE and the financial and economic environment in which the group operates.

Legislation and regulations have recently been enacted or proposed with a view to introducing a number of changes, some permanent, in the global financial environment. While the objective of these new measures is to avoid a recurrence of the financial crisis, the impact of the new measures could be to change substantially the environment in which Groupe BPCE and other financial institutions operate.

The new measures that have been or may be adopted include more stringent capital and liquidity requirements, taxes on financial transactions, limits or taxes on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (particularly proprietary trading and investment and ownership in private equity funds and hedge funds), or new ring-fencing requirements relating to certain activities, restrictions on certain types of financial activities or products such as derivatives, mandatory writedown or conversion into equity of certain debt instruments and the creation of new and strengthened regulatory bodies. Some of the new measures are proposals that are under discussion and that are subject to revision and interpretation, and need adapting to each country's framework by national regulators.

As a result of some of these measures, Groupe BPCE has had to significantly adjust, and may continue to adjust, certain of its activities in order to allow it to comply with the new requirements. This has led (and may continue to lead) to reduced net banking income and profits in the affected activities, the reduction or sale of certain operations and asset portfolios, and asset impairment charges.

Moreover, the general political environment has evolved unfavorably for banks and the financial industry, resulting in additional pressure on the part of legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures can have adverse consequences on lending and other financial activities, and on the economy. Because of the continuing uncertainty regarding the new legislative and regulatory measures, it is not possible to predict what impact they will have on Groupe BPCE.

European legislative and regulatory initiatives regarding compensation may have a significant impact on Groupe BPCE's corporate and investment banking activities

Legislative and regulatory initiatives that are currently under consideration in Europe could significantly change the structure and amount of compensation paid to certain employees, particularly in the corporate and investment banking segment. These initiatives would, if adopted in their current form, prohibit the payment of cash

bonuses that exceed the fixed compensation of these employees (or two times the compensation of these employees, subject to shareholder approval), as well as placing limits on share-based bonuses. The potential impact of these initiatives is difficult to predict. They could lead to a significant increase in fixed compensation demanded by qualified employees, in which case Groupe BPCE's cost base would become less flexible, potentially resulting in lower net income during market downturns compared to the net income that would be realized with a more variable compensation structure. In addition, these initiatives may make it more difficult to attract qualified employees in the corporate and investment banking segment.

Groupe BPCE's ability to attract and retain qualified employees is critical to the success of its business and any failure to do so may significantly affect its performance

The employees of the entities in Groupe BPCE are the group's most important resource. In many areas of the financial services industry, competition for qualified personnel is intense. Groupe BPCE's results depend on the ability of the group to attract new employees and to retain and motivate its existing employees. Changes in the business environment (including taxes or other measures designed to limit compensation of banking sector employees) may cause the group to move employees from one business to another or to reduce the number of employees in certain of its businesses, which may cause temporary disruptions as employees adapt to new roles and may reduce the group's ability to take advantage of improvements in the business environment. This may impact the group's ability to take advantage of business opportunities or potential efficiencies.

BPCE must maintain high credit ratings or its business and profitability could be adversely affected

Credit ratings are important to the liquidity of BPCE and its affiliates that are active in financial markets (including Natixis). A downgrade in credit ratings could adversely affect the liquidity and competitive position of BPCE or Natixis, increase borrowing costs, limit access to the capital markets or trigger obligations under certain bilateral provisions in some trading, derivatives and collateralized financing contracts. BPCE's cost of obtaining long-term unsecured funding, and that of Natixis, is directly related to their respective credit spreads (the amount in excess of the interest rate of government securities of the same maturity that is paid to debt investors), which in turn depend in large part on their credit ratings. Increases in credit spreads can significantly increase BPCE's or Natixis' cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of creditworthiness. In addition, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to BPCE's or Natixis' debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of BPCE and Natixis.

A substantial increase in new asset impairment charges or a shortfall in the level of previously recorded asset impairment charges in respect of Groupe BPCE's loan and receivables portfolio could adversely affect its results of operations and financial condition.

In connection with Groupe BPCE's lending activities, the group periodically establishes asset impairment charges to reflect actual or potential losses in respect of its loan and receivables portfolio, which are recorded in its profit and loss account under "cost of risk". Groupe BPCE's overall level of such asset impairment charges is based upon the group's assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although Groupe BPCE uses its best efforts to establish an appropriate level of asset impairment charges, the group's lending businesses may have to increase their charges for loan losses in the future as a result of increases in non-performing assets or for other reasons, such as deteriorating market conditions of the type that occurred in 2008 and 2009 or factors affecting particular countries. Any significant increase in charges for loan losses or a significant change in the estimate of the risk of loss inherent in Groupe BPCE's portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the charges recorded with respect thereto, could have an adverse effect on Groupe BPCE's results of operations and financial condition.

Adjustments to the carrying value of Groupe BPCE's securities and derivatives portfolios and its own debt could have an impact on net income and shareholders' equity.

The carrying value of Groupe BPCE's securities and derivatives portfolios and certain other assets, as well as its own debt in Groupe BPCE's balance sheet is adjusted as of each financial statement date. Most of the adjustments are made on the basis of changes in fair value of the assets or debt during an accounting period, with the

changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect net banking income and, as a result, net income. All fair value adjustments affect shareholders' equity and, as a result, Groupe BPCE's capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

Future events may differ from those reflected in the assumptions used by management in the preparation of Groupe BPCE's financial statements, which may cause unexpected losses in the future

Pursuant to the IFRS standards and interpretations currently in force, Groupe BPCE is required to use certain estimates in the preparation of its financial statements, including accounting estimates to determine provisions relating to loans and doubtful debts, provisions relating to possible litigation, and the fair value of certain assets and liabilities. If the values used for these items by Groupe BPCE should prove to be significantly inaccurate, particularly in the event of significant and/or unexpected market trends, or if the methods by which they are determined should be changed under future IFRS standards or interpretations, Groupe BPCE may be exposed to unexpected losses.

Groupe BPCE, particularly Natixis, may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

As part of its trading and investment activities, Natixis maintains positions in the fixed income, currency, commodity and equity markets, as well as in unlisted securities, real estate and other asset classes (the same is true of other Groupe BPCE entities, although to a lesser extent). These positions can be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Volatility can also lead to losses relating to a broad range of other trading and hedging products Natixis uses, including swaps, futures, options and structured products, if they prove to be insufficient or excessive in relation to Natixis' expectations.

To the extent that Natixis owns assets, or has net long positions, in any of those markets, a downturn in those markets can result in losses due to a decline in the value of its net long positions. Conversely, to the extent that Natixis has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets can expose it to losses as it attempts to cover its net short positions by acquiring assets in a rising market. Natixis may from time to time have a trading strategy of holding a long position in one asset and a short position in another, from which it expects to earn net revenues based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that Natixis did not anticipate or against which it is not hedged, Natixis might realize a loss on those paired positions. Such losses, if significant, could adversely affect Natixis' results of operations and financial condition, and therefore those of Groupe BPCE.

Groupe BPCE may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns

Market downturns are likely to lead to a decline in the volume of transactions that group entities execute for their customers and as a market maker, and, therefore, to a decline in net banking income from these activities. In addition, because the fees that group entities charge for managing their customers' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its customers' portfolios or increases the amount of withdrawals would reduce the revenues such entities receive from the distribution of mutual funds and other financial savings products (for the Caisses d'Epargne and Banques Populaires), or from asset management businesses (for Natixis).

Even in the absence of a market downturn, below-market performance by the group's mutual funds and other products may result in increased withdrawals and reduced inflows, which would reduce the revenues the group receives from its asset management business.

Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.

In some of the group's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the group cannot close out deteriorating positions in a timely way. This may especially be the case for assets that Groupe BPCE holds for which the markets are not very liquid to begin with. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that the group calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses that the group did not anticipate.

Significant interest rate changes could adversely affect Groupe BPCE's net banking income or profitability.

The amount of net interest income earned by Groupe BPCE during any given period significantly affects its overall net banking income and profitability for that period. In addition, significant changes in credit spreads, such as the widening of spreads experienced recently, can impact the results of operations of the group. Interest rates are highly sensitive to many factors beyond the control of group entities. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in net interest income from lending activities. In addition, increases in the interest rates at which short-term funding is available and maturity mismatches may adversely affect the profitability of the groups. Increasing or high interest rates and/or widening credit spreads, especially if such changes occur rapidly, may create a less favorable environment for certain banking businesses.

Changes in exchange rates can significantly affect Groupe BPCE's results

The entities in Groupe BPCE conduct a significant portion of their business in currencies other than the euro, in particular in the United States dollar, and their net banking income and results of operations can be affected by exchange rate fluctuations. While the group incurs expenses in currencies other than the euro, the impact of these expenses only partially compensates for the impact of exchange rate fluctuations on net banking income. Natixis is particularly vulnerable to fluctuations in the exchange rate between the United States dollar and the euro, as a significant portion of its net banking income and results of operations is earned in the United States. In the context of its risk management policies, Groupe BPCE and its affiliates enter into transactions to hedge exposure to exchange rate risk. However, these transactions may not be fully effective to offset the effects of unfavorable exchange rates on operating income; they may even, in certain hypothetical situations, amplify these effects.

Any interruption or failure of Groupe BPCE's information systems, or those of third parties, may result in lost business and other losses

Like most of its competitors, Groupe BPCE relies heavily on its communication and information systems as its operations require it to process a large number of increasingly complex transactions. Any breakdown, interruption or failure of these systems could result in errors or interruptions to customer relationship management, general ledger, deposit, transaction and/or loan processing systems. If, for example, Groupe BPCE's information systems failed, even for a short period of time, it would be unable to meet customers' needs in a timely manner and could thus lose transaction opportunities. Likewise, a temporary breakdown of Groupe BPCE's information systems, despite back-up systems and contingency plans, could result in considerable information retrieval and verification costs, and even a decline in its proprietary business if, for instance, such a breakdown occurred during the implementation of hedging transactions. The inability of Groupe BPCE's systems to accommodate an increasing volume of transactions could also undermine its business development capacity.

Groupe BPCE is also exposed to the risk of an operational failure or interruption by one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. As its interconnectivity with its customers grows, Groupe BPCE may also be increasingly exposed to the risk of operational failure of its customers' information systems. Groupe BPCE cannot guarantee that such breakdowns or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved.

Unforeseen events may cause an interruption of Groupe BPCE's operations and cause substantial losses as well as additional costs

Unforeseen events like severe natural disasters, pandemics, terrorist attacks or other states of emergency can lead to an abrupt interruption of operations of entities in Groupe BPCE, and, to the extent not partially or entirely covered by insurance, can cause substantial losses. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events may additionally disrupt the group's infrastructure, or that of third parties with which it conducts business, and can also lead to additional costs (such as relocation costs of employees affected) and increase costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the group's global risk.

Groupe BPCE may be vulnerable to political, macroeconomic and financial environments or specific circumstances in the countries where it does business

Certain entities in Groupe BPCE are subject to country risk, which is the risk that economic, financial, political or social conditions in a foreign country will affect its financial interests. Natixis in particular does business throughout the world, including in developing regions of the world commonly known as emerging markets. In the past, many emerging market countries have experienced severe economic and financial disruptions, including devaluations of their currencies and capital and currency exchange controls, as well as low or negative economic growth. The group's businesses and revenues derived from operations and trading outside the European Union and the United States, although limited, are subject to risk of loss from various unfavorable political, economic and legal developments, including currency fluctuations, social instability, changes in governmental policies or policies of central banks, expropriation, nationalization, confiscation of assets and changes in legislation relating to local ownership.

Groupe BPCE is subject to significant regulation in France and in several other countries around the world where it operates; regulatory actions and changes in these regulations could adversely affect Groupe BPCE's business and results

A variety of supervisory and regulatory regimes apply to entities in Groupe BPCE in each of the jurisdictions in which they operate. Non-compliance could lead to significant intervention by regulatory authorities and fines, public reprimand, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorization to operate. The financial services industry has experienced increased scrutiny from a variety of regulators in recent years, as well as an increase in the penalties and fines sought by regulatory authorities, a trend that may be accelerated in the current financial context. The businesses and earnings of group entities can be materially adversely affected by the policies and actions of various regulatory authorities of France, other European Union or foreign governments and international organizations. Such constraints could limit the ability of group entities to expand their businesses or to pursue certain activities. The nature and impact of future changes in such policies and regulatory action are unpredictable and are beyond the group's control. Such changes could include, but are not limited to, the following:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy liable to significantly influence investor decisions, in particular in markets where Groupe BPCE operates;
- general changes in regulatory requirements, notably prudential rules relating to the regulatory capital adequacy framework, such as the modifications being made to the regulations implementing the Basel III requirements;
- changes in rules and procedures relating to internal controls;
- changes in the competitive environment and prices;
- changes in financial reporting rules;
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership rights; and

- any adverse change in the political, military or diplomatic environments creating social instability or an uncertain legal situation capable of affecting the demand for the products and services offered by Groupe BPCE.

Tax law and its application in France and in the countries where Groupe BPCE operates are likely to have a significant impact on Groupe BPCE's results

As a multinational banking group involved in complex and large-scale cross-border transactions, Groupe BPCE (particularly Natixis) is subject to tax legislation in a number of countries. Groupe BPCE structures its business globally in order to optimize its effective tax rate. Modifications to the tax regime by the competent authorities in those countries may have a significant effect on the results of Groupe BPCE. The group manages its business so as to create value from the synergies and commercial capacities of its different entities. It also endeavors to structure the financial products sold to its clients in a tax-efficient manner. The structures of intra-group transactions and of the financial products sold by group entities are based on the group's own interpretations of applicable tax laws and regulations, generally relying on opinions received from independent tax counsel, and, to the extent necessary, on rulings or specific guidance from competent tax authorities. There can be no assurance that the tax authorities will not seek to challenge such interpretations in the future, in which case group entities could become subject to tax claims.

A failure of or inadequacy in Groupe BPCE's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.

The risk management techniques and strategies of Groupe BPCE may not effectively limit its risk exposure in all economic market environments or against all types of risk, including risks that the group fails to identify or anticipate. The group's risk management techniques and strategies may also not effectively limit its risk exposure in all market fluctuations. These techniques and strategies may not be effective against certain risks, particularly those that the group has not previously identified or anticipated. Some of the group's qualitative tools and metrics for managing risk are based upon its use of observed historical market behavior. The group's risk managers apply statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors the group did not anticipate or correctly evaluate in its statistical models or from unexpected and unprecedented market movements. This would limit the group's ability to manage its risks. The group's losses could therefore be significantly greater than the historical measures indicate. In addition, the group's quantified modeling does not take all risks into account. The group's qualitative approach to managing those risks could prove insufficient, exposing it to material unanticipated losses. In addition, while no material issue has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. See "Risk Management" and the related sections of the 2012 BPCE Reference Document and its updates for a more detailed discussion of the policies, procedures and methods that group entities use to identify, monitor and manage its risks.

Groupe BPCE's hedging strategies may not prevent losses

If any of the variety of instruments and strategies that the group uses to hedge its exposure to various types of risk in its businesses is not effective, the group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if the group holds a long position in an asset, it may hedge that position by taking a short position in an asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the group may only be partially hedged, or these strategies may not be fully effective in mitigating the group's risk exposure in all market environments or against all types of risk in the future. Any unexpected market developments may also affect the group's hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in reported earnings.

Groupe BPCE may encounter difficulties in identifying, executing and integrating its policy in relation to acquisitions or joint ventures

Even though external growth does not constitute a significant part of its current strategy, in the future, Groupe BPCE may consider external growth or partnership opportunities from time to time. Even though Groupe

BPCE performs in-depth reviews of companies that it plans to acquire or joint ventures it plans to carry out, it is generally not feasible for these reviews to be comprehensive in all respects. As a result, Groupe BPCE may have to assume liabilities unforeseen initially. Similarly, the results of the acquired company or joint venture may prove disappointing and the expected synergies may not be realized in whole or in part, or the transaction may even give rise to higher-than-expected costs. Groupe BPCE may also encounter difficulties in consolidating a new entity. The failure of an announced external growth operation or the failure to consolidate the new entity or joint venture is likely to materially affect Groupe BPCE's profitability. This situation could also lead to the departure of key employees. Insofar as Groupe BPCE may feel compelled to offer its employees financial incentives in order to retain them, this situation could also result in increased costs and an erosion of profitability. In the case of joint ventures, Groupe BPCE is subject to additional risks and uncertainties in that it may be dependent on, and subject to liability, losses or reputational damage relating to systems, controls and personnel that are not under its control. In addition, conflicts or disagreements between Groupe BPCE and its joint venture partners may negatively impact the benefits sought by the joint venture.

Intense competition, both in Groupe BPCE's home market of France, its largest market, and internationally, could adversely affect Groupe BPCE's net revenues and profitability

Competition is intense in all of Groupe BPCE's primary business areas in France and in other areas of the world where it has significant operations. Consolidation, both in the form of mergers and acquisitions and through alliances and cooperation, is increasing competition. Consolidation has created a number of firms that, like Groupe BPCE, have the ability to offer a wide range of products and services. Groupe BPCE competes with other entities on the basis of a number of factors, including transaction execution, products and services offered, innovation, reputation and price. If Groupe BPCE is unable to maintain its competitiveness in France or in its other major markets with attractive and profitable product and service offerings, it may lose market share in important areas of its business or incur losses on some or all of its operations. In addition, downturns in the global economy or in the economy of Groupe BPCE's major markets are likely to increase competitive pressure, notably through increased price pressure and lower business volumes for Groupe BPCE and its competitors. More competitive new competitors could also enter the market, subject to separate or more flexible regulation, or other requirements relating to prudential ratios. These new market participants may therefore be able to offer more competitive products and services. Technological advances and the growth of e-commerce have made it possible for non-deposit taking institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. These new players may exert downward price pressure on Groupe BPCE's products and services or may affect Groupe BPCE's market share.

The financial soundness and behavior of other financial institutions and market participants could have an adverse impact on Groupe BPCE

Groupe BPCE's ability to carry out its operations could be affected by the financial soundness of other financial institutions and market participants. Financial institutions are closely interconnected as a result, notably, of their trading, clearing, counterparty and financing operations. The default of a sector participant, or even simple rumors or questions concerning one or more financial institutions or the finance industry more generally, have led to a widespread contraction in liquidity in the market and in the future could lead to additional losses or defaults. Groupe BPCE is exposed to several financial counterparties such as investment service providers, commercial or investment banks, mutual funds and hedge funds, as well as other institutional clients, with which it conducts transactions in the usual manner, thus exposing Groupe BPCE to a risk of insolvency if a group of Groupe BPCE's counterparties or customers should fail to meet their commitments. This risk would be aggravated if the assets held as collateral by Groupe BPCE were unable to be sold or if their price was unable to cover all of Groupe BPCE's exposure relating to loans or derivatives in default.

In addition, fraud or misappropriations committed by financial sector participants may have a significant adverse impact on financial institutions as a result, notably, of interconnections between institutions operating in the financial markets.

The losses that could result from the above-mentioned risks could have a significant bearing on Groupe BPCE's results.

Groupe BPCE's profitability and business outlook could be adversely affected by reputational and legal risk

Groupe BPCE's reputation is essential in attracting and retaining its customers. The use of inappropriate means to promote and market its products and services, inadequate management of potential conflicts of interest, legal and regulatory requirements, ethical issues, money laundering laws, information security policies and sales and trading practices may damage Groupe BPCE's reputation. Its reputation could also be harmed by any inappropriate employee behavior, fraud or misappropriation of funds committed by participants in the financial sector to which BPCE is exposed, any decrease, restatement or correction of the financial results, or any legal or regulatory action that has a potentially unfavorable outcome. Any damage caused to Groupe BPCE's reputation could be accompanied by a loss of business likely to threaten its results and its financial position.

Inadequate management of these issues could also give rise to additional legal risk for Groupe BPCE and cause an increase in the number of legal proceedings and the amount of damages claimed against Groupe BPCE, or expose Groupe BPCE to sanctions from the regulatory authorities (for further details see section 3.4 ("Legal risks") of the 2012 BPCE Registration Document, and in particular the sections 3.4.2 and 3.4.3 on legal and arbitration proceedings).

An extended market decline may reduce the liquidity of assets and make it more difficult to sell them. Such a situation could give rise to significant losses

In some of Groupe BPCE's businesses, a prolonged fall in asset prices could threaten the level of activity or reduce liquidity in the market concerned. This situation would expose Groupe BPCE to significant losses if it was unable to rapidly close out its potentially loss-making positions. This is particularly true in relation to assets that are intrinsically illiquid. Certain assets that are not traded on a stock exchange or on a regulated market, such as derivatives traded between banks, are generally valued using models rather than market prices. Given the difficulty in monitoring changes in prices of these assets, Groupe BPCE could suffer unforeseen losses.

Risks related to the structure of Groupe BPCE and Natixis

BPCE may be required to contribute funds to the entities that are part of the financial solidarity mechanism if they encounter financial difficulties, including some entities in which BPCE holds no economic interest

As the central body of Groupe BPCE, BPCE guarantees the liquidity and solvency of each of the regional banks (the Caisses d'Epargne and the Banques Populaires), as well as the other members of the affiliated group that are credit institutions subject to regulation in France. The affiliated group includes BPCE affiliates such as Natixis, Crédit Foncier de France and Banque Palatine (a more complete list is included in the 2012 BPCE Registration Document). While each of the regional banks and the other members of the affiliated group are required to provide similar support to BPCE, there can be no assurance that the benefits of the financial solidarity mechanism for BPCE will outweigh its costs.

To assist BPCE in assuming its central body liabilities and to ensure mutual support within Groupe BPCE, three guarantee funds have been established to cover liquidity and solvency risks, with an amount of €1.237 billion as at December 31, 2012. The regional banks and the entities in the affiliated group will be required to make additional contributions to the guarantee funds from their future profits. While the guarantee funds provide a substantial source of resources to fund the financial solidarity mechanism, there can be no assurance that they will be sufficient for this purpose. If the guarantee funds turn out to be insufficient, BPCE will be required to make up the shortfall.

BPCE does not currently have voting rights in shareholders meetings of the Caisses d'Epargne and the Banques Populaires

BPCE's financial strength is derived in significant part from the regional retail banks, both as a result of the support undertakings in the financial solidarity mechanism, and as a result of BPCE's non-voting equity interest in the regional retail banks (through Natixis, which, as at December 31, 2012, holds 20% non-voting equity interests in the form of CCIs in the regional retail banks). While BPCE has significant powers to monitor and supervise the

regional retail banks in its capacity as central body of Groupe BPCE, it currently does not have any voting power in respect of decisions that require the consent of shareholders of the regional banks.

Following the repurchase transaction, BPCE will have no equity interests in the Caisses d'Epargne and the Banques Populaires

The Banques Populaires and Caisses d'Epargne are expected to repurchase the 20% non-voting interests currently held by Natixis. See "Summary—Repurchase of Non-Voting Equity Interests Held by Natixis." Following this transaction, BPCE will not hold any direct or indirect interest in the Banques Populaires and Caisses d'Epargne, although it will continue to act as central institution, to centralize Groupe BPCE's funding operations and to manage the group's financial solidarity mechanism.

Following the completion of the repurchase transaction, the Banques Populaires and Caisses d'Epargne will no longer be accounted for under the equity method in the consolidated financial statements of the BPCE SA Group. Historically, the BPCE SA Group's equity share of net income of the Banques Populaires and Caisses d'Epargne has been less volatile than the other sources of net income of the BPCE SA Group. As a result, the completion of the repurchase transaction is likely to increase the volatility of the BPCE SA Group's net income in the future.

In the event of a disagreement between the Banques Populaires and the Caisses d'Epargne, the business or operations of BPCE could be subject to significant disruptions

The mechanism for the appointment of members of the supervisory board and of the management board of BPCE, as well as the implementation of various corporate governance measures is set forth in a protocol originally dated June 24, 2009 (the "BPCE Protocol"). Of the 18 members of the BPCE Supervisory Board, seven have been nominated by the Caisses d'Epargne, seven have been nominated by the Banques Populaires, and four are outside directors. In addition, the BPCE Protocol provides (and the bylaws of BPCE provide) that certain decisions deemed essential require the approval of 15 out of 18 members of the supervisory board (meaning a favorable vote from at least one representative of each of the Caisses d'Epargne and the Banques Populaires and from among the outside directors). These "essential decisions" include the removal of the Chairman of the Management Board; any purchase of equity interests, other investments or divestitures involving an amount greater than €1 billion; any increase in BPCE's authorized capital with a waiver of preferential subscription rights; any merger, contribution or spin-off transactions to which BPCE is a party; any proposal to BPCE's shareholders to modify BPCE's bylaws, corporate governance or the rights of holders of preference shares; and any other decision involving a significant change to the Supervisory Board's functions that would affect the rights of holders of BPCE's preference shares. The BPCE Protocol does not (and BPCE's bylaws do not) contain a mechanism for definitively resolving any disagreement. In the event of deadlock, the management board may be unable to obtain supervisory board approval to proceed with planned actions. The business of BPCE or Groupe BPCE may therefore be subject to significant disruptions in the event that the Banques Populaires and the Caisses d'Epargne are unable to resolve any differences concerning the relevant group's development.

RISKS RELATING TO THE NOTES

The following does not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular series of Notes and the suitability of investing in the Notes in light of their particular circumstances. Additional risk factors relating to a particular type or series of Notes may appear in the applicable Pricing Term Sheet.

The trading market for the Notes may be volatile and may be adversely impacted by many events

The market for debt securities issued by banks, such as the Notes, is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other western and other industrialized countries. There can be no assurance that events in France, Europe, the United States or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

There will be no prior market for the Notes

There is currently no existing market for the Notes, and there can be no assurance that any market will develop for the Notes or that holders will be able to sell their Notes in the secondary market. There is no obligation to make a market in the Notes.

Any early redemption at the option of the Issuer, if provided for in any Pricing Term Sheet for a particular issue of Notes or in the case of certain changes in tax law, could cause the yield anticipated by holders to be considerably less than anticipated

The Pricing Term Sheet for a particular issue of Notes may provide for early redemption at the option of the Issuer. Such right of early redemption is often provided for in bonds or notes in periods of high interest rates. In addition, the Issuer will have the right to redeem the Notes if certain changes in tax law occur with respect to the Notes. If market interest rates decrease, the risk to holders that the Issuer will exercise its right of redemption increases. The yields received upon early redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the holder. Moreover, part of the capital invested by the holder may be lost, so that the holder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Neither the Notes nor the Guarantee are insured by the FDIC.

Neither the Notes nor the Guarantee are deposit liabilities of the Issuer or the Guarantor, respectively, and neither the Notes nor the Guarantee is insured by the United States Federal Deposit Insurance Corporation or any governmental or deposit insurance agency.

A holder's actual yield on the Notes may be reduced from the stated yield by transaction costs

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional domestic or foreign parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, holders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), holders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield for Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Notes issued at substantial discount or premium may be subject to higher price fluctuations than non-discounted Notes

Changes in market interest rates have a substantially stronger impact on the prices of Notes issued at a substantial discount or premium than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Notes issued at a substantial discount or premium can

suffer higher price losses than other bonds having the same maturity and credit rating. Due to their leverage effect, Notes issued at a substantial discount or premium are a type of investment associated with a particularly high price risk.

The terms of the Notes contain very limited covenants

The terms and conditions of the Notes contain a negative pledge that prohibits the Issuer from pledging assets to secure other bonds or similar debt instruments, unless the Issuer makes a similar pledge to secure the Notes offered by this Base Offering Memorandum. However, 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 Notes. If the Issuer decides to dispose of a large amount of its assets, investors in the Notes will not be entitled to declare an acceleration of the maturity of the Notes, and those assets will no longer be available to support the Notes.

In addition, the 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, 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 Notes.

Transactions on the Notes could be subject to a future European financial transaction tax

The European Commission has proposed a directive that, if adopted in its current form, would subject transactions in securities such as the Notes to a financial transaction tax. The proposed directive would call for eleven European member states, including France, to impose a tax of at least 0.1% on all such transactions, generally determined by reference to the amount of consideration paid. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

USE OF PROCEEDS

Unless otherwise indicated in the applicable Pricing Term Sheet, the Issuer will use the net proceeds it receives from any offering of the Notes for general corporate purposes. A portion of the net proceeds from any offering of the Notes may be on-lent to Natixis.

CAPITALIZATION

Capitalization of Groupe BPCE

The table below sets forth the consolidated capitalization of Groupe BPCE as of December 31, 2012.

(in millions of euros)	**December 31, 2012**
Debt securities in issue	230,501
Subordinated debt	9,875
Total debt	240,376
Shareholders' Equity (group share):	
Share capital and reserves	27,871
Consolidated reserves	20,863
Gains or losses recorded directly in equity	(327)
Net income	2,147
Total shareholders' equity (group share)	50,554
Minority interests	3,802
Total capitalization	290,930

Except as set forth in this section, there has been no material change in the consolidated capitalization of Groupe BPCE since December 31, 2012, except that (i) on January 16, 2013 BPCE issued €1.75 billion floating rate Senior notes and €750 million 2.875% Senior notes, (ii) on January 29, 2013, BPCE's covered bond subsidiary issued €430 million in a tap issuance on its existing 1.5% covered bonds (*obligations de financement de l'habitat*) through the Société de Financement de l'Habitat, and (iii) on February 8, 2013, BPCE issued €500 million euros 1.635% Senior Notes due 2017.

Capitalization of BPCE SA Group

The table below sets forth the consolidated capitalization of BPCE SA Group as of December 31, 2012.

(in millions of euros)	**December 31, 2012**
Debt securities in issue	216,593
Subordinated debt	9,959
Total debt	226,552
Shareholders' Equity (group share):	
Share capital and reserves	18,408
Consolidated reserves	5,853
Gains or losses recorded directly in equity	(239)
Net income	659
Total shareholders' equity (group share)	24,681
Minority interests	6,419
Total capitalization	251,233

Except as set forth in this section, there has been no material change in the consolidated capitalization of BPCE SA Group since December 31, 2012, except that (i) on January 16, 2013 BPCE issued €1.75 billion floating rate Senior notes and €750 million 2.875% Senior notes, (ii) on January 29, 2013, BPCE's covered bond subsidiary issued €430 million in a tap issuance on its existing 1.5% covered bonds (*obligations de financement de l'habitat*) through the Société de Financement de l'Habitat, and (iii) on February 8, 2013, BPCE issued €500 million euros 1.635% Senior Notes due 2017.

SUPERVISION AND REGULATION OF THE BRANCH AND NATIXIS IN THE UNITED STATES

Banking Activities

The Branch is licensed by the Superintendent under the New York Banking Law (the "NYBL") to conduct a commercial banking business. The Branch is supervised, regulated and examined by the New York State Department of Financial Services and the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") and is subject to banking laws and regulations applicable to a foreign bank that operates a New York branch.

Under the NYBL and regulations adopted thereunder, the Branch must deposit, with banks in the State of New York, high-quality eligible assets which are pledged to the Superintendent for certain purposes. The amount of assets required to be pledged is determined on the basis of a sliding scale (whereby the amount of assets required to be pledged as a percentage of the Branch's third-party liabilities decreases from 1% to 0.25% as such liabilities increase from $1 billion or less to more than $10 billion (up to a maximum of $100 million of assets pledged)) in the case of foreign banking corporations that have been designated as "well-rated" by the Superintendent, as the Branch has been. Should the Branch cease to be "well-rated" by the Superintendent, the Branch may need to maintain substantial additional amounts of eligible assets with banks in the State of New York. Under the NYBL, the Superintendent is also empowered to require a New York branch of a foreign bank to maintain in New York specified assets equal to such percentage of certain of the branch's liabilities as the Superintendent may designate. At present, the Superintendent has set this percentage at 0%, although specific asset maintenance requirements may be imposed upon individual branches on a case-by-case basis. The Superintendent has not prescribed such a requirement for the Branch.

In addition to being subject to New York laws and regulations, the Branch is also subject to U.S. federal regulation primarily under the International Banking Act of 1978, as amended (the "IBA"), including the amendments to the IBA made pursuant to the Foreign Bank Supervision Enhancement Act of 1991 (the "FBSEA"). Under the IBA, as amended by the FBSEA, all U.S. branches of foreign banks, such as the Branch, are subject to reporting and examination requirements of the Federal Reserve Board similar to those imposed on domestic banks that are owned or controlled by U.S. bank holding companies, and most U.S. branches and agencies of foreign banks, including the Branch, are subject to reserve requirements on deposits, although restrictions on the payment of interest on demand deposits were removed under the Dodd-Frank Act, effective July 2011. In addition, by reason of the conduct of banking activities in the United States (including through the Branch), Natixis is also subject to reporting to, and supervision and examination by, the Federal Reserve Board in its capacity as Natixis' U.S. "umbrella supervisor."

The Branch's deposits are not, and are not required or permitted to be, insured by the Federal Deposit Insurance Corporation. In general, the Branch is not permitted to accept or maintain domestic retail deposits having a balance of less than U.S.$250,000.

Among other things, the IBA provides that a state-licensed branch of a foreign bank (such as the Branch) may not engage in any type of activity that is not permissible for a federally-licensed branch or agency of a foreign bank unless the Federal Reserve Board has determined that such activity is consistent with sound banking practice. A state-licensed branch must also comply with the same single borrower (or issuer) lending and investment limits applicable to national banks. These limits are based on the foreign bank's worldwide capital and, in the case of a foreign bank with multiple U.S. branches or agencies (such as Natixis), the foreign bank must aggregate the business of all of its U.S. branches and agencies in determining compliance with these limits. Under the Dodd-Frank Act, effective July 1, 2013, the lending limits applicable to the Branch will include credit exposures that arise from derivative transactions, repurchase (and reverse repurchase) agreements, and securities lending (and securities borrowing) transactions with a counterparty. The Dodd-Frank Act also includes "push-out" provisions that could significantly limit the swaps activities of the U.S. branches of non-U.S. banks. The Branch is also subject to certain quantitative limits and qualitative restrictions on the extent to which it may lend to or engage in certain other transactions with affiliates engaged in certain securities, insurance and merchant banking activities in the United States. In general, these transactions must be on terms that would ordinarily be offered to unaffiliated entities, and are subject to volume limits; such transactions which involve extensions of credit must be secured by designated amounts of specified collateral.

The Federal Reserve Board may terminate the activities of a U.S. branch or agency of a foreign bank if it finds that the foreign bank is not subject to comprehensive supervision on a consolidated basis in its home country, or if there is reasonable cause to believe that such foreign bank or an affiliate has violated the law or engaged in an unsafe or unsound banking practice in the United States, and as a result, continued operation of the branch would be inconsistent with the public interest and the purposes of federal banking laws, or for a foreign bank that presents a risk to the stability of the United States financial system, the home country of the foreign bank has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk. If the Federal Reserve Board were to use this authority to close the Branch, creditors of the Branch would have recourse against Natixis' non-U.S. branches, unless the Superintendent or other regulatory authorities were to make alternative arrangements for the payment of the liabilities of the Branch.

The Bank Holding Company Act of 1956, as amended (the "BHCA"), imposes significant restrictions on Natixis' U.S. non-banking operations and on its worldwide holdings of equity in companies which, directly or indirectly operate in the United States. Under amendments to the BHCA effected by the Gramm-Leach-Bliley Act (the "GLBA"), qualifying bank holding companies and foreign banks that become "financial holding companies" are permitted to engage through non-bank subsidiaries in a broad range of non-banking activities in the United States, including insurance, securities, merchant banking and other financial activities. The GLBA does not authorize banks or their affiliates to engage in commercial activities that are not financial in nature, and in general does not affect or expand the permitted activities of a U.S. branch of a foreign bank (such as the Branch). Moreover, the Dodd-Frank Act limits proprietary trading, derivative and certain other activities of bank holding companies and financial holding companies, including such activities conducted by foreign banks in the United States.

Under the BHCA, Natixis is required to obtain the prior approval of the Federal Reserve Board before acquiring, directly or indirectly, the ownership or control of more than 5% of any class of voting securities of any U.S. bank, bank holding company or certain other types of U.S. depository institution or depository institution holding company. Under federal banking law and regulations issued by the Federal Reserve Board, the Branch is also restricted from engaging in certain "tying" arrangements involving products and services.

Under the GLBA and related Federal Reserve Board regulations, Natixis elected to become a financial holding company effective October 2, 2002. To qualify as a financial holding company, Natixis was required to certify and demonstrate that Natixis was "well capitalized" and "well managed" (in each case, as defined by Federal Reserve Board regulation). These standards, as applied to Natixis, are comparable to the standards U.S. domestic banking organizations must satisfy to qualify as financial holding companies. If, at any time, Natixis were no longer to be well capitalized or well managed, or were otherwise to fail to meet any of the requirements for Natixis to maintain its financial holding company status, then Natixis may be required to discontinue certain activities or terminate its U.S. banking operations. Natixis' ability to expand activities or undertake acquisitions permitted to financial holding companies could also be adversely affected.

The GLBA and the regulations issued thereunder contain a number of other provisions that could affect Natixis' U.S. banking operations. One such provision relates to the financial privacy of consumers. In addition, the so-called "push-out" provisions of the GLBA narrow the exclusion of banks (including U.S. branches of foreign banks, such as the Branch) from the definitions of "broker" and "dealer" under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Superintendent Authority to Take Possession of and Liquidate a New York Branch

The NYBL authorizes the Superintendent to take possession of the business and property of a foreign bank's New York branch under circumstances including violation of law, conduct of business in an unauthorized or unsafe manner, capital impairment, the suspension of payment of obligations, initiation of liquidation proceedings against the foreign bank, or reason to doubt the foreign bank's ability to pay in full the claims of its creditors. Pursuant to the NYBL, when the Superintendent takes possession of a foreign bank's New York branch, it succeeds to the branch's assets, wherever located, and the assets of the foreign bank in New York State. In liquidating or dealing with the branch's business after taking possession of the branch, the Superintendent will accept for payment out of the branch's assets only the claims of creditors unaffiliated with the foreign bank that arose out of transactions with the branch (without prejudice to the rights of such creditors to be satisfied out of other assets of the foreign bank) and only to the extent those claims represent an enforceable legal obligation against such branch if such

branch were a separate legal entity. After such claims are paid, together with any interest thereon, and the expenses of the liquidation have been paid or properly provided for, the Superintendent will turn over the remaining assets, if any, to other offices of the foreign bank that are being liquidated in the United States, upon the request of the liquidators of those offices, in the amounts which the liquidators of those offices demonstrate are needed to pay the claims accepted by those liquidators and any expenses incurred by the liquidators in liquidating those other offices of the foreign bank. After any such payments are made, any remaining assets will be turned over to the foreign bank or to its duly appointed liquidator or receiver.

Recent Financial Regulatory Reform

In response to the financial crisis, on July 21, 2010, the United States enacted the Dodd-Frank Act, which provides a broad framework for significant regulatory changes that will extend to almost every area of U.S. financial regulation. The Dodd-Frank Act contains a wide range of provisions that will affect financial institutions operating in the United States, including foreign banks such as Natixis. However, for any restrictions that the Federal Reserve Board may issue for foreign banks, the Federal Reserve Board is directed to take into account the principle of national treatment and equality of competitive opportunity, and the extent to which the foreign bank is subject to comparable home country standards.

The Dodd-Frank Act provides regulators with tools to impose heightened capital, leverage and liquidity requirements and other prudential standards, particularly for financial institutions that pose significant systemic risk and bank holding companies with greater than $50 billion in assets. On December 14, 2012, the Federal Reserve Board proposed regulations that would impose enhanced prudential standards on the U.S. operations of certain large foreign banking organizations, such as Natixis. In particular, under the proposal, the Branch would be subject to liquidity, single counterparty credit limits, and, in certain circumstances, asset maintenance requirements. In addition, under the proposal, Natixis would be required to create a separately capitalized top-tier U.S. intermediate holding company that would hold all of its U.S. subsidiaries. The intermediate holding company would be subject to capital, liquidity and other enhanced prudential standards, including single counterparty limits, capital planning and stress testing requirements, on a consolidated basis.

The Dodd-Frank Act also establishes a new U.S. regulatory regime for swaps and security-based swaps (generically referred to in this paragraph as "swaps"). Among other things, the Dodd-Frank Act provides the Commodity Futures Trading Commission and the SEC with jurisdiction and regulatory authority over swaps, requires the establishment of a comprehensive registration and regulatory framework applicable to swap dealers, such as Natixis, and major swap participants, requires many types of swaps to be cleared and traded on an exchange or executed on swap execution facilities, requires swap market participants to report all swap transactions to swap data repositories and imposes capital, margin, business conduct, recordkeeping and other requirements on swap dealers and major swap participants. Although many swaps requirements are already in effect, the details of many of these requirements will be established through future rulemakings.

Also included in the Dodd-Frank Act are provisions designed to promote enhanced supervision of financial markets, impose new limitations on permissible financial institution activities and investments (including limitations under the so-called "Volcker Rule" on proprietary trading and sponsorship of or investment in hedge funds or private equity funds in the United States), protect consumers and investors from financial abuse, and provide the government with the tools needed to manage a financial crisis.

Many aspects of the Dodd-Frank Act require rulemaking by U.S. federal supervisory agencies for full implementation. Until there is greater clarity on the nature of these regulations, it is not possible to assess fully the impact (including additional compliance costs) of the legislation and the regulations on Natixis' operations.

Anti-Money Laundering

In recent years, a major focus of U.S. policy, legislation and regulation relating to financial institutions has been to combat money laundering and terrorist financing and to assure compliance with U.S. economic sanctions in respect of designated countries or entities. U.S. regulations applicable to Natixis (including the Branch) and its subsidiaries impose obligations to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing, to verify the identity of their customers, report suspicious

transactions, implement due diligence procedures for certain correspondent and private banking accounts, and otherwise to comply with U.S. economic sanctions in respect of designated countries or activities. U.S. economic sanctions are enforced in part by the U.S. Office of Foreign Assets Control ("OFAC"). Failure of Natixis (including the Branch) to maintain and implement adequate programs to combat money laundering and terrorist financing, and to comply with U.S. economic sanctions, could have serious legal and reputational consequences.

BPCE and the Guarantor provide financial services throughout the world, which may from time to time include countries in which U.S. banks are prohibited from conducting business due to restrictions imposed by OFAC. BPCE and the Guarantor do not believe their business activities with counterparties in, or directly relating to, such countries are material to their business, and such activities represented a very small part of BPCE's and the Guarantor's total assets and total revenues as of, and for, the year ended December 31, 2012.

GOVERNMENT SUPERVISION AND REGULATION OF CREDIT INSTITUTIONS IN FRANCE

The French Banking System

All French credit institutions are required to belong to a professional organization or central body affiliated with the French Credit Institutions and Investment Firms Association (*Association française des établissements de crédit et des entreprises d'investissement*), which represents the interests of credit institutions, payment institutions and investment firms in particular with the public authorities, provides consultative advice, disseminates information, studies questions relating to banking and financial services activities and makes recommendations in connection therewith. Most registered banks, including BPCE and Natixis, are members of the French Banking Federation (*Fédération bancaire française*).

French banking regulatory and supervisory bodies

The French Monetary and Financial Code (*Code monétaire et financier*) sets forth the conditions under which credit institutions, including banks, may operate. The French Monetary and Financial Code vests related supervisory and regulatory powers in certain administrative authorities.

The Financial Sector Consultative Committee (*Comité consultatif du secteur financier*) is made up of representatives of credit institutions, investment firms, insurance companies and insurance brokers and client representatives. This committee is a consultative organization that studies the relations between credit institutions, investment firms and insurance companies and their respective clientele and proposes appropriate measures in this area.

The Consultative Committee on Financial Legislation and Regulations (*Comité consultatif de la législation et de la réglementation financières*) reviews, at the request of the French Minister of the Economy, any draft bills or regulations, as well as any draft European regulations relating to the insurance, banking and investment service industry other than those draft regulations issued by the French *Autorité des marchés financiers* (AMF).

The Prudential Control Authority (*Autorité de contrôle prudentiel* or "ACP") supervises financial institutions and insurance firms and is in charge of ensuring the protection of consumers and the stability of the financial system. The ACP was created in January 2010 as a result of the merger of the Banking Commission (*Commission bancaire*), the Credit Institutions and Investment Firms Committee (*Comité des établissements de crédit et des entreprises d'investissement*), the Insurance and Pensions Control Authority (*Autorité de contrôle des assurances et des mutuelles*) and the Insurance Firms Committee (*Comité des entreprises d'assurance*) and assumed the functions previously exercised by these authorities. The ACP is chaired by the governor of the *Banque de France*. With respect to the banking sector, the ACP makes individual decisions, grants banking and investment firm licenses, and grants specific exemptions as provided in applicable banking regulations. It supervises the enforcement of laws and regulations applicable to banks and other credit institutions, as well as investment firms, and controls their financial standing.

Banks are required to submit periodic (either monthly or quarterly) accounting reports to the ACP concerning the principal areas of their activities. The main reports and information filed by institutions with the ACP include periodic regulatory reports, collectively referred to as *états périodiques réglementaires*. They include, among other things, the institutions' accounting and prudential (regulatory capital) filings, which are usually submitted on a quarterly basis, as well as internal audit reports filed once a year, all the documents examined by the institution's management in its twice-yearly review of the business and operations and the internal audit findings and the key information that relates to the credit institution's risk analysis and monitoring. The ACP may also request additional information that it deems necessary and may carry out on-site inspections (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements). These reports and controls allow a close monitoring of the condition of each bank and also facilitate computation of the total deposits of all banks and their use.

The ACP may order financial institutions to comply with applicable regulations and to cease conducting activities which may adversely affect the interests of clients. The ACP may also require a financial institution to take measures to strengthen or restore its financial situation, improve its management methods and/or adjust its organization and activities to its development goals. When a financial institution's solvency or liquidity, or the

interests of its clients are or could be threatened, the ACP is entitled to take certain provisional measures, including: submitting the institution to special monitoring and restricting or prohibiting the conduct of certain activities (including deposit-taking), the making of certain payments, the disposal of assets, and/or the distribution of dividends to its shareholders.

Where regulations have been violated, the ACP may act as an administrative court and impose sanctions, which may include warnings, fines, suspension or dismissal of managers and deregistration of the bank, resulting in its winding up. The ACP also has the power to appoint a temporary administrator to manage provisionally a bank that it deems to be mismanaged. The decisions of the ACP may be appealed to the French administrative supreme court (*Conseil d'Etat*). Insolvency proceedings may be initiated against banks or other credit institutions, or investment firms only after formal consultation with the ACP.

Under a proposed European Union directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms published on June 6, 2012 by the European Commission (the "RRD"), supervisory authorities such as the ACP would be empowered to write down, write off or convert into equity the claims of certain creditors of a failing institution (this is known as the "bail-in" tool). According to a draft amendment to the RRD which is currently being considered, such power to write down or write off would be limited to instruments that are treated as regulatory capital, which would not include senior debt obligations such as the Notes. However, the RRD is still in draft form and changes could be made to it before it is adopted by the European Parliament and the Council. Consequently, it is possible that the bail-in tool, if it is adopted, will apply not only to capital instruments, but also to other debt instruments, possibly including senior debt obligations.

A related French legislative proposal provides that certain subordinated (but not senior) instruments could be written down or written-off or converted into equity if the financial situation of the institution so requires.

Banking regulations

In France, BPCE and Natixis must comply with the norms of financial management set by the Minister of the Economy, the purpose of which is to ensure the creditworthiness and liquidity of French credit institutions. These banking regulations are mainly derived from EU directives. It is anticipated that the Basel III reforms will be implemented in the European Union through a new directive to be implemented under French law (directive of the European Parliament and of the Council on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, a draft of which was published on July 20, 2011) and a regulation (regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, a draft of which was published on July 20, 2011) that will be directly applicable in all EU member states including France.

BPCE and Natixis must comply with minimum capital ratio requirements. In addition to these requirements, the principal regulations applicable to credit institutions such as BPCE and Natixis concern risk diversification and liquidity, monetary policy, restrictions on equity investments and reporting requirements. As of the date hereof, in the various countries in which Natixis or its subsidiaries operate, it complies with the specific regulatory ratio requirements in accordance with procedures established by the relevant supervisory authorities.

French credit institutions are required to maintain minimum capital to cover their credit, market, counterparty and operational risks. Currently and until implementation of Basel III reforms (the principal elements of which are set out in Basel Committee papers dated December 16, 2010 (as revised in June 2011) and in a press release dated 13 January 2011), French credit institutions are required to meet a minimum capital ratio, obtained by dividing the institution's eligible regulatory capital by its risk weighted assets, of 8%. In addition, the BPCE group, as well as 3 other French banks, is required to maintain a temporary capital buffer and therefore has been subject to a minimum 9% core Tier 1 ratio since June 30, 2012. The Basel III reforms will make extensive changes to the regulatory capital required to be held by credit institutions.

Each French credit institution is required to calculate, as of the end of each month, the ratio of the weighted total of certain short-term and liquid assets to the weighted total of short-term liabilities. This liquidity ratio (*coefficient de liquidité*) is required to exceed 100% at all times. French credit institutions are entitled to opt for the "advanced" approach with respect to liquidity risk, upon request to the ACP and under certain conditions. Under the advanced approach, the credit institution is able to use its internal methodologies to determine the liquidity risk and ensure that it has sufficient liquidity at all times to honor its commitments. The Basel III reforms are also expected to change the monitoring of liquidity risk by credit institutions.

French credit institutions must satisfy, on a consolidated basis, certain restrictions relating to concentration of risks (*ratio de contrôle des grands risques*). The aggregate of a French credit institution's loans and a portion of certain other exposure (*risques*) to a single customer (and related entities) may not exceed 25% of the credit institution's regulatory capital as defined by French capital ratio requirements. Individual exposures exceeding 10% (and in some cases 5%) of the credit institution's regulatory capital are subject to specific regulatory requirements.

French credit institutions are required to maintain on deposit with the *Banque de France* a certain percentage of various categories of demand and short-term deposits. Deposits with a maturity of more than two years are not included in calculating the amount required to be deposited. The required reserves are remunerated at a level corresponding to the average interest rate over the maintenance period of the main refinancing operations of the European System of Central Banks.

BPCE's and Natixis' commercial banking operations in France are also significantly affected by monetary policies established from time to time by the European Central Bank in coordination with the *Banque de France*. Commercial banking operations, particularly in their fixing of short-term interest rates, are also affected in practice by the rates at which the *Banque de France* intervenes in the French domestic interbank market.

French credit institutions are subject to restrictions on equity investments and, subject to various specified exemptions for certain short-term investments and investments in financial institutions and insurance companies, "qualifying shareholdings" held by credit institutions must comply with the following requirements: (a) no "qualifying shareholding" may exceed 15% of the regulatory capital of the concerned credit institution and (b) the aggregate of such "qualifying shareholdings" may not exceed 60% of the regulatory capital of the concerned credit institution. An equity investment is a "qualifying shareholding" for the purposes of these provisions if (i) it represents more than 10% of the share capital or voting rights of the company in which the investment is made or (ii) it provides, or is acquired with a view to providing, a "significant influence" (*influence notable*, presumed when the credit institution controls at least 20% of the voting rights) in such company.

French regulations permit only licensed credit institutions to engage in banking activities on a regular basis. Similarly, institutions licensed as banks may not, on a regular basis, engage in activities other than banking, bank-related activities and a limited number of non-banking activities determined pursuant to the regulations issued by the French Minister of the Economy. A regulation issued in November 1986 and amended from time to time sets forth an exhaustive list of such non-banking activities and requires revenues from those activities to be limited in the aggregate to a maximum of 10% of total net revenues.

Examination

The principal means used by the ACP to ensure compliance by large deposit banks with applicable regulations is the examination of the detailed periodic (monthly or quarterly) financial statements, *états périodiques réglementaires* and other documents that these banks are required to submit to the ACP. In the event that any examination were to reveal a material adverse change in the financial condition of a bank, an inquiry would be made, which could be followed by an inspection. The ACP may also inspect banks (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements) on an unannounced basis.

Deposit guarantees

All credit institutions operating in France are required by law to be a member of the deposit guarantee fund (*Fonds de Garantie des Dépôts*), except branches of European Economic Area banks that are covered by their home country's guarantee system. Domestic customer deposits denominated in euro and currencies of the European Economic Area are covered up to an amount of €100,000 and securities up to an aggregate value of €70,000, per customer and per credit institution, in both cases. The contribution of each credit institution is calculated on the basis of the aggregate deposits and one-third of the gross customer loans held by such credit institution and of the risk exposure of such credit institution.

Additional funding

The governor of the *Banque de France*, as chairman of the ACP, can request that the shareholders of a credit institution in financial difficulty fund the institution in an amount that may exceed their initial capital contribution. However, credit institution shareholders have no legal obligation in this respect and, as a practical matter, such a request would likely be made to holders of a significant portion of the institution's share capital.

Internal control procedures

French credit institutions are required to establish appropriate internal control systems, including with respect to risk management and the creation of appropriate audit trails. French credit institutions are required to have a system for analyzing and measuring risks in order to assess their exposure to credit, market, global interest rate, intermediation, liquidity and operational risks. Such system must set forth criteria and thresholds allowing to identify as significant the incidents revealed by internal control procedures. Any fraud generating a gain or loss of a gross amount superior to 0.5% of the Tier 1 capital is deemed significant provided that such amount is greater than €10,000.

With respect to credit risks, each credit institution must have a credit risk selection procedure and a system for measuring credit risk that permit, *inter alia*, centralization of the institution's on- and off-balance sheet exposure and for assessing different categories of risk using qualitative and quantitative data. With respect to market risks, each credit institution must have systems for monitoring, among other things, its proprietary transactions that permit the institution to record on at least a day-to-day basis foreign exchange transactions and transactions in the trading book, and to measure on at least a day-to-day basis the risks resulting from trading positions in accordance with the capital adequacy regulations. The institution must prepare an annual report for review by the institution's board of directors and the ACP regarding the institution's internal procedures and the measurement and monitoring of the institution's exposure.

Compensation policy

French credit institutions and investment firms are required to ensure that their compensation policy is compatible with sound risk management principles. A significant portion of the compensation of employees whose activities may have a significant impact on the institution's risk exposure must be performance-based, and a significant fraction of this performance-based compensation must be non-cash and deferred. The aggregate amount of variable compensation must not hinder the institution's capacity to strengthen its capital base if needed.

Money laundering

French credit institutions are required to report to a special government agency (TRACFIN) placed under the authority of the French Minister of the Economy all amounts registered in their accounts that they suspect come from drug trafficking or organized crime, from unusual transactions in excess of certain amounts, as well as all amounts and transactions that they suspect to be the result of offence punishable by a minimum sentence of at least one-year imprisonment or that could participate in the financing of terrorism.

French credit institutions are also required to establish "know your customer" procedures allowing identification of the customer (as well as the beneficial owner) in any transaction and to have in place systems for assessing and managing money laundering and terrorism financing risks in accordance with the varying degree of risk attached to the relevant clients and transactions.

DESCRIPTION OF THE NOTES

The following is the Description of the Notes that will be attached to or incorporated by reference into each Global Note and that will be endorsed upon each certificated Note. The Global Notes may take the form of one or more master notes representing one or more series of Notes. The applicable supplement or Pricing Term Sheet 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 the terms of the Notes set forth herein, replace such terms for the purposes of a specific issue of Notes. Any other such terms and conditions as set forth in the applicable supplement or Pricing Term Sheet will be incorporated into, or attached to, each Global Note and endorsed upon each certificated Note. Capitalized terms used 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 or Pricing Term Sheet unless the context otherwise requires or unless otherwise stated.

In addition to the terms and conditions described in this Description of the Notes, the Issuer may decide from time to time to issue other types of Notes, including but not limited to subordinated Notes, dual currency notes, zero-coupon Notes, linked Notes or indexed Notes. The terms of conditions of any such Notes will be set forth in a supplement to this Base Offering Memorandum and/or the relevant Pricing Term Sheet.

This Note is one of a Series of the Notes ("Notes," which expression shall mean (i) in relation to any Notes represented by a Global Note (defined below), units of the lowest specified denomination ("Specified Denomination") in the Specified Currency (defined below) of the relevant Notes, (ii) certificated Notes issued in exchange (or part exchange) for a Global Note and (iii) any Global Note issued subject to, and with the benefit of, a Fiscal and Paying Agency Agreement (as it may be updated or supplemented from time to time, the "Fiscal and Paying Agency Agreement") dated April 9, 2013, 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 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 herein, "Tranche" means Notes that are identical in all respects 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 date, 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, and the expressions "Notes of the relevant Series" and "holders of Notes of the relevant Series" and related expressions shall be construed accordingly. If Notes of a further issue have the same CUSIP, ISIN or other identifying number as that of an original issue, the Notes of the further issue must be fungible with that of the original issue for U.S. federal income tax purposes.

To the extent the Pricing Term Sheet (or the supplement, if applicable) for a particular Series of Notes specifies other terms and conditions that are in addition to, or inconsistent with, the terms and conditions as described herein, such new terms and conditions shall apply to such Series of Notes.

The obligations of the Issuer under the 3(a)(2) Notes will be guaranteed by the Guarantor pursuant to a Guarantee Agreement granted by the Guarantor, a copy of which will be available at the principal office of the Fiscal and Paying Agent. No Notes will be issued by the Guarantor. The Rule 144A Notes and the Regulation S Notes will not benefit from the Guarantee. The Pricing Term Sheet will specify whether a given Series of Notes consists of 3(a)(2) Notes, or 144A Notes and Regulation S Notes.

1. Form, Denomination, Title and Transfer

(a) Form, Denomination and Title

(i) The Notes are in global form ("**Global Notes**"), in the Specified Currency and Specified Denominations. Beneficial interests in the Global Notes will trade only in book-entry form, and Global Notes will be issued in physical (paper) form (or in the form of one or

more master notes), registered in the name of DTC and deposited with a custodian for DTC, as described in the Fiscal and Paying Agency Agreement. The Notes are, to the extent specified in the applicable Pricing Term Sheet, Fixed Rate Notes, Floating Rate Notes or any other types of Notes specified in the applicable Pricing Term Sheet, subject to all applicable laws and regulations, any other type of Notes specified in the applicable Pricing Term Sheet.

(ii) The Issuer shall procure that there shall at all times be a Fiscal and Paying Agent and one or more Paying Agent, which can be the Fiscal and Paying Agent, for so long as any Note is outstanding (as defined in the Fiscal and Paying Agency Agreement). The Issuer has appointed the Registrar 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 Registrar for the time being at 101 Barclay Street, New York, New York 10286, a Register with respect to the Issuer on which shall be entered, among other things, the name and address of the holders of Notes and particulars of all transfers of title to Notes.

(iii) References to "**Noteholders**" and "**Holders**" mean the person or entity in whose name Notes are registered in the Register maintained for this purpose pursuant to the Fiscal and Paying Agency Agreement. For so long as DTC or its nominee is the registered owner or holder of a Global Note of a Series, DTC or such nominee, as the case may be, will be considered the sole 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.

(iv) 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 and, as participants in DTC, Euroclear and/or Clearstream, Luxembourg.

(v) The Notes will not be issued in certificated form, and beneficial interests in the Global Notes may not be exchanged for definitive certificated Notes, except as set forth under "Transfers and Exchanges of Notes."

(b) Transfers and Exchanges of Notes

(i) Transfers of interests in Global Notes

Transfers of beneficial interests in Global Notes will be effected by DTC, 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 only in the Specified Denominations and only in accordance with the terms and conditions specified in the Fiscal and Paying Agency Agreement.

(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 Specified Denominations). 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 Registrar, with the form of transfer thereon duly executed by the holder or holders thereof or his, her 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 Registrar and (B) such Registrar 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 Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 6 to the Fiscal and Paying Agency Agreement). Subject as provided above, the Registrar 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 Registrar 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 4 (Redemption and Purchase), 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

(1) Beneficial interests in Global Notes will not be exchangeable for certificated Notes and will not otherwise be issuable as certificated Notes unless:

(A) an Event of Default under the Notes of that Series has occurred and is continuing;

(B) DTC notifies the Issuer that it is unwilling or unable to continue as depositary and the Issuer does not appoint a successor within 90 days; or

(C) DTC ceases to be a clearing agency registered under the Exchange Act and the Issuer does not appoint a successor within 90 days.

If any of the events described in the preceding paragraph occurs, the Issuer will issue definitive Notes in certificated form in an amount equal to a holder's beneficial interest in the Notes. Certificated Notes will be issued only in the Specified Denomination, and will be registered in the name of the person DTC specifies in a written instruction to the Registrar of the Notes.

(2) Holders of Notes in certificated form may exchange such Notes for interests in a Global Note (if any) of the same Series 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 and Negative Pledge

(a) Status

The Notes will constitute direct, unconditional, unsubordinated and, subject to Condition 2(b), unsecured obligations of the Issuer and will at all times rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of the Issuer, from time to time outstanding.

(b) Negative Pledge

So long as any of the Notes shall remain outstanding (as defined in the Fiscal and Paying Agency Agreement), the Issuer will not create or permit to subsist any mortgage, charge, pledge or other security interest upon any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) incurred or guaranteed by the Issuer (whether before or after the issue of the Notes) unless at the same time or prior thereto the Issuer's obligations under the Notes are equally and rateably secured with such Relevant Indebtedness or the guarantee thereof.

For the purposes of this Condition 2, "**Relevant Indebtedness**" means any indebtedness for borrowed money, whether or not represented by notes or other securities (including securities initially privately placed), which are for the time being, or are capable of, being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter-market or other securities market.

3. Interest and Other Calculations

(a) Rate of Interest and Accrual

Each Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Specified Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(d).

(b) Business Day Convention

If any date referred to herein that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) the Floating Rate Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

(ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Business Day;

(iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(c) Rate of Interest on Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Term Sheet and, except as otherwise specified in the relevant Pricing Term Sheet, the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Pricing Term Sheet.

(i) ISDA Determination for Floating Rate Notes

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

(1) the Floating Rate Option is as specified in the relevant Pricing Term Sheet;

(2) the Designated Maturity is a period specified in the relevant Pricing Term Sheet; and

(3) the relevant Reset Date is the first day of that Interest Accrual Period, unless otherwise specified in the relevant Pricing Term Sheet.

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

(ii) Screen Rate Determination for Floating Rate Notes

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

(1) if the Primary Source for the Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

(x) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(y) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(2) if the Page specified in the relevant Pricing Term Sheet as a Primary Source permanently ceases to quote the Relevant Rate(s) but such quotation(s) is/are available from another page, section or other part of such information service selected by the Calculation Agent (the "**Replacement Page**"), the Replacement Page shall be substituted as the Primary Source for Rate of Interest quotations and if no Replacement Page exists but such quotation(s) is/are available from a page, section or other part of a different information service selected by the

Calculation Agent and approved by the Issuer and the Relevant Dealer (the "**Secondary Replacement Page**"), the Secondary Replacement Page shall be substituted as the Primary Source for Rate of Interest quotations;

(3) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (1)(x) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (1)(y) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to leading banks in the Business Center at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

(4) if paragraph (3) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates then, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial center of the country of the Specified Currency or, if the relevant currency is euro, the Euro zone (the "Principal Financial Center") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in New York City, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks New York City) (y) to leading banks carrying on business in the Principal Financial Center; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Center, the Rate of Interest shall (unless otherwise specified) be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the relevant Pricing Term Sheet, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the Interest Amounts payable in respect of such Interest Period shall be the sum of the amounts of interest payable per Calculation Amount in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(e) Determination and Notification of Rates of Interest, Interest Amounts, Redemption Amounts and Installment Amounts

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Installment Amount, obtain any quote or make any determination or calculation, determine the Rate of Interest and calculate the relevant Interest Amount for the relevant Interest Accrual Period, calculate the Redemption Amount or Installment Amount,

obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Installment Amount to be notified to the Fiscal and Paying Agent, the Issuer, each of the Paying Agents, the Noteholders (in accordance with Condition 11 (Notices)), any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such stock exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Specified Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 3(b), the Interest Amounts and the Specified Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period or the Interest Period. If the Notes become due and payable under Condition 7 (Events of Default), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 3 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of each Rate of Interest, Interest Amount, Redemption Amount and Installment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(f) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Pricing Term Sheet and for so long as any Note is outstanding (as defined in the Fiscal and Paying Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the terms and conditions of the Notes. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Installment Amount or the Redemption Amount or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal New York office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(g) Interest Payments

Interest will be paid subject to and in accordance with the provisions of Condition 5 (Payments). 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, upon due presentation thereof, payment of principal 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 Condition 11 (Notices) or individually, of receipt of all sums due in respect thereof up to that date.

(h) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3 by the Calculation Agent shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents and all Noteholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

None of the Issuer, the Guarantor or the Paying Agents shall have any responsibility to any person for any errors or omissions in (i) the calculation by the Calculation Agent of any amount due in respect of the Notes or (ii)

any determination made by the Calculation Agent in relation to the Notes and, in each case, the Calculation Agent shall not be so responsible in the absence of its bad faith or willful default.

4. Redemption and Purchase

(a) Final Redemption and Redemption by Installments

(i) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to the Issuer's or any Noteholder's option in accordance with Condition 4(e) or 4(f), each Note shall be finally redeemed on the Maturity Date specified in the relevant Pricing Term Sheet at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (ii) below, its final Installment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided above or the relevant Installment Date (being one of the dates so specified in the relevant Pricing Term Sheet) is extended pursuant to the Issuer's or any Noteholder's option in accordance with Condition 4(e) or 4(f), each Note that provides for Installment Dates and Installment Amounts shall be partially redeemed on each Installment Date at the related Installment Amount specified in the relevant Pricing Term Sheet. The outstanding nominal amount of each such Note shall be reduced by the Installment Amount (or, if such Installment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Installment Date, unless payment of the Installment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Installment Amount.

(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, in the case of 3(a)(2) Notes, the United States or, in each case, any other authority thereof or therein becoming effective after the Issue Date the Issuer, or, in the case of 3(a)(2) Notes, the Issuer or the Guarantor would be required to pay additional amounts in respect of the Notes as provided in Condition 6 (Taxation) below or the Guarantee, as applicable, then the Issuer may at its option on any Interest Payment Date, or if so specified in the relevant Pricing Term Sheet, at any time, subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11 (Notices), redeem all, but not some only, of the Notes at their Early Redemption Amount (together with any interest accrued to the date set for redemption), provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date upon which the Issuer or Guarantor, as the case may be, could make payment without withholding for such taxes, and provided further that the obligation to pay such additional amounts could not have been avoided by reasonable measures available to the Guarantor or the Issuer.

(ii) If the Issuer and the Guarantor would, on the next due date for payment of any amount in respect of Notes, be prevented by French law from making payment under the Notes and the Guarantee (notwithstanding the undertaking to pay additional amounts as provided in Condition 6 (Taxation) below) then the Issuer shall forthwith give notice of such fact to the Fiscal and Paying Agent and shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 11 (Notices) redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount (together with (unless specified otherwise in the relevant Pricing Term Sheet) any interest accrued to the date set for redemption) on (A) the latest practicable Interest Payment Date on which the Issuer or the Guarantor, could make payment of the full amount then due and payable in

respect of the Notes or the Guarantee, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of (i) the latest practicable date on which the Issuer or the Guarantor could make payment of the full amount then due and payable in respect of the Notes, and (ii) 14 days after giving notice to the Fiscal and Paying Agent as aforesaid or (B) if so specified in the relevant Pricing Term Sheet, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer or the Guarantor, could make payment of the full amount then due and payable in respect of the Notes or the Guarantee, or, if that date is passed, as soon as practicable thereafter.

(c) Purchases

The Issuer and any of its affiliates may at any time purchase Notes in the open market or otherwise at any price. Such Notes may be held, reissued or, at the option of the Issuer, surrendered to the Registrar for cancellation (subject to any requirements of French law).

(d) Early Redemption Amounts

The Early Redemption Amount payable in respect of any Note, upon redemption of such Note pursuant to Condition 4(j) or upon it becoming due and payable as provided in Condition 7 (Events of Default) shall be the Final Redemption Amount unless otherwise specified in the relevant Pricing Term Sheet.

(e) Redemption at the Option of the Issuer ("Issuer Call")

If "Issuer Call" is specified in the applicable Pricing Term Sheet, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Pricing Term Sheet) falling within the Issuer's Option Period redeem all, or, if so provided, some of the Notes in the nominal amount or integral multiples thereof and on the Optional Redemption Date(s) provided in the relevant Pricing Term Sheet. Any such redemption or exercise of Notes shall be at their Optional Redemption Amount, together with interest accrued to the date fixed for redemption, if any.

All Notes in respect of which any such notice is given shall be redeemed, on the date specified in such notice in accordance with this Condition 4.

In the case of a partial redemption of Notes, the Notes to be redeemed ("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, 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 Condition 11 (Notices) 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 Optional Redemption Date pursuant to this Condition 4(e), and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 11 (Notices), at least five days prior to the Selection Date.

(f) Redemption at the Option of the Noteholders ("Noteholder Put")

If a Noteholder Put is specified in the applicable Pricing Term Sheet, upon the holder of any Note giving to the Issuer in accordance with Condition 11 (Notices) not less than 15 nor more than 30 days' notice (or such other

notice period as may be specified in the applicable Pricing Term Sheet), the Issuer will, upon the expiration of such notice, redeem, subject to and in accordance with the terms specified in the applicable Pricing Term Sheet, 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, 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 Condition 4, 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, 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, which may include notice being given on his instruction by DTC to the Paying Agent by electronic means, in a form acceptable to DTC 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 Condition 4 and instead to declare such Note forthwith due and payable pursuant to Condition 7 (Events of Default).

(g) Cancellation

All Notes surrendered for payment, redemption, registration of transfer or exchange or replacement shall be forthwith cancelled and accordingly may not be re-issued or resold. In addition, any Notes purchased on behalf of the Issuer or any of its subsidiaries (including the Guarantor) may be surrendered to the Registrar for cancellation and, if so cancelled, may not be re-issued or resold.

(h) Redemption for Illegality

If, by reason of any change in French or United States law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date (an "Illegality Event"), it will become unlawful for the Issuer or, in the case of the 3(a)(2) Notes, the Guarantor, to perform or comply with one or more of its obligations under the Notes or the Guarantee, as applicable, the Issuer or the Guarantor will, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11 (Notices), redeem all, but not some only, of the Notes at their Early Redemption Amount (together with any interest accrued to the date set for redemption) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer or the Guarantor could lawfully make payment of principal and interest irrespective of the Illegality Event.

(i) 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 Pricing Term Sheet. All installments, other than the final Installment Amount, will be paid by surrender of the relevant Note and issue of a new Note in the nominal amount remaining outstanding.

5. Payments

(a) Payments of principal in respect of the Notes (which for the purpose of this Condition 5(a) shall include final Installment Amounts but not other Installment Amounts) shall, subject as mentioned

below, be made against presentation and surrender of the Note at the specified office of any Paying Agent and in the manner provided in paragraph (b) below.

(b) Interest (which for the purpose of this Condition 5(b) shall include all Installment Amounts other than final Installment Amounts) on the Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof or in case of Notes to be cleared through The Depositary Trust Company ("DTC"), on the first DTC business day before the due date for payment thereof (the "Record Date"). For the purpose of this Condition 5(b), "DTC business day" means any day on which DTC is open for business. Payments of interest on each Note shall be made in the currency in which such payments are due by check drawn on a bank in the principal financial center of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of any Paying Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial center of the country of that currency.

(c) Payments in respect of the Notes will be subject in all cases to any fiscal or other laws, regulations and directives in any jurisdiction and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or directives, but without prejudice to Condition 6 (Taxation).

(d) Payments through DTC: Notes, unless otherwise specified in the relevant Pricing Term Sheet, will be issued in the form of one or more Global Notes and will be registered in the name of, or in the name of a nominee for, DTC. Payments of principal and interest in respect of such Notes denominated in US dollars will be made in accordance with Conditions 5(a) and (b). Payments of principal and interest in respect of Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than US dollars will be made or procured to be made by the Fiscal and Paying Agent in the Specified Currency in accordance with the following provisions. The amounts in such Specified Currency payable by the Fiscal and Paying Agent or its agent to DTC with respect to Notes held by DTC or its nominee will be received from the Issuer by the Fiscal and Paying Agent, who shall remit such funds to the Exchange Agent, who in turn will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal and Paying Agent, after the Exchange Agent has converted amounts in such Specified Currency into US dollars, will cause the Exchange Agent to deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Fiscal and Paying Agency Agreement sets out the manner in which such conversions are to be made. The option for holders of Notes to receive payments in a Specified Currency shall only exist for so long as DTC allows DTC participants to make an irrevocable election in respect thereof.

6. Taxation

(a) Additional Amounts

All payments of principal and interest by the Issuer hereunder shall be made free and clear of and without withholding or deduction for any and all present or future taxes, levies, imposts or charges (all such taxes, levies, imposts and charges being hereinafter referred to as "Taxes"), except as required by law. If the Issuer shall be required by the laws of a Tax Jurisdiction to deduct any Taxes from or in respect of any sum payable hereunder, the Issuer, shall pay such additional amounts as may be necessary in order that the holder of each Note, after such

deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; provided, however, that the Issuer shall not be liable to pay any such additional amounts with respect to any Note:

(i) to or on behalf of a holder or beneficial owner who is subject to such Taxes in respect of such Note by reason of the holder or beneficial owner being connected with the Tax Jurisdiction otherwise than by reason only of the holding of such Note or receipt of payments thereon;

(ii) presented for payment (where presentation is required) 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;

(iii) where such withholding or deduction is imposed on a payment to an individual or to a residual entity within the meaning of the European Council Directive 2003/48/EC and is required to be made pursuant to such Directive or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive, or Directives;

(iv) where such withholding or deduction is imposed pursuant to Section 1471 through 1474 of the U.S. Internal Revenue Code (including any agreement entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code), U.S. Treasury regulations thereunder, or any intergovernmental agreement entered into in connection with the implementation of such Sections;

(v) where such withholding or deduction would not have been so imposed but for the failure to comply, following a timely request by the Issuer, with any applicable certification, identification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with a Tax Jurisdiction of the holder or beneficial owner if, without regard to any tax treaty, such compliance is required under the tax laws or regulations of a Tax Jurisdiction or any political subdivision or taxing authority thereof or therein to establish an entitlement to an exemption from such withholding or deduction; or

(vi) presented for payment (where presentation is required) by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union.

As used herein, "Tax Jurisdiction" means the Republic of France or any other jurisdiction in which the Issuer or any of its successors, following a merger or similar event, is or becomes organized or resident for tax purposes, or any political subdivision or taxing authority in or of any of the foregoing.

As used herein the "Relevant Date" in relation to any Note means whichever is the later of:

(1) the date on which the payment in respect of such Note first became due and payable; or

(2) if the full amount of the moneys payable on such a date in respect of such Note has not been received by the 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 Condition 6.

(b) Supply of Information

Each holder of Notes shall be responsible for supplying to the Paying Agent, in a timely manner, any information as may be reasonably required by the latter in order for it to comply with the identification and reporting obligations imposed on it by European Council Directive 2003/48/EC or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or Directives.

7. Events of Default

If any of the following events ("Events of Default") occurs and is continuing, the holder of any Note may give written notice to the Fiscal and Paying Agent at its specified office effective upon receipt thereof by the Fiscal and Paying Agent that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable unless prior to the time when the Fiscal and Paying Agent receives such notice all Events of Default in respect of the Notes shall have been cured:

(a) default by the Issuer of any payment of principal of, or interest on, any Note including the payment of any additional amounts pursuant to Condition 6 (Taxation) above, when and as the same shall become due and payable, if such default shall not have been cured within 30 days thereafter; or

(b) default by the Issuer in the due performance of any other obligations under the Notes, if such default shall not have been cured within 45 days after receipt by the Fiscal and Paying Agent of written notice of default given by the holder of such Note; or

(c) any indebtedness of the Issuer in excess of €50,000,000 (or its equivalent in other currencies) or any guarantee by the Issuer of any such indebtedness shall become due and is not paid on the date which is the later of (i) its stated maturity, and (ii) the expiry of applicable grace periods (the term "indebtedness" as used herein shall mean any note or other debt instrument issued by the Issuer or any credit facility granted to the Issuer by banks); or

(d) the Issuer sells, transfers, lends or otherwise disposes of, directly or indirectly, the whole or a substantial part of its assets, or the Issuer enters into, or commences any proceedings in furtherance of, forced or voluntary liquidation or dissolution, except in the case of a disposal, dissolution, liquidation, merger or other reorganisation in which all of or substantially all of the Issuer's assets are transferred to a legal entity which simultaneously assumes all of the Issuer's debt and liabilities including the Notes and whose main purpose is the continuation of, and which effectively continues, the Issuer's activities; or

(e) the performance of any obligation of the Issuer or the Guarantor under the Notes or the Guarantee, as applicable, contravenes any legal provisions entered into force after the date hereof or contravenes any provision entered into force after the date hereof or contravenes any provision in effect at the date hereof due to a change of interpretation of such provisions by any competent authority; or

(f) the Issuer enters into an amicable conciliation procedure (*procédure de conciliation*) with its creditors or a judgment is rendered for its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of the business (*cession totale de l'entreprise*) or makes any conveyance for the benefit of, or enters into any agreement with, its creditors or cannot meet its current liabilities out of its current assets or is subject to any insolvency or bankruptcy proceedings; or

(g) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Guarantor in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, resolution or other similar law or (B) a decree or order appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Guarantor or of any substantial part of the property of the Guarantor, 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 Guarantor of a voluntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, resolution or other similar law or of any other case or proceeding to be adjudicated bankrupt or insolvent, or the consent by the Guarantor 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, resolution or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding, or the filing by the Guarantor 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 Guarantor 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 Guarantor or of any substantial part of the property of the Guarantor, or the making by the Guarantor of an assignment for the benefit of creditors, or the taking of corporate action by the Guarantor in furtherance of any such action, and such action or proceeding shall be continuing if not rescinded, suspended or stayed for a period of 60 consecutive days.

8. Prescription

Claims for payment of principal in respect of the Notes shall be prescribed upon the expiration of 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 years from the due date thereof.

9. 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 Registrar 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.

10. Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes, bonds or debentures having the same terms and conditions as the Notes in all respects (or in all respects save for the principal amount thereof and the first payment of interest as set forth in the applicable Pricing Term Sheet) so as to form a single Series with the Notes; provided that such additional notes will be issued with no more than de minimis original issue discount for U.S. federal income tax purposes or be part of a qualified reopening for U.S. federal income tax purposes..

11. Notices

(a) All notices to the holders of registered Notes will be valid if mailed to the addresses of the registered holders or transmitted via DTC pursuant to paragraphs (c) and (d).

(b) 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, which is expected to be the Wall Street Journal. 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, be substituted, in relation only to such Series, for such publication as aforesaid in Condition 11(b), the delivery of the relevant notice to DTC for communication by it 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 or on the website of that stock exchange if permitted by such stock exchange.

(d) Notices to be given by any holder of any Notes shall be in writing 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 in such manner as the Fiscal and Paying Agent and DTC may approve for this purpose or in the manner specified in the Fiscal and Paying Agency Agreement.

12. Meetings of Noteholders, Modification and Waiver

(a) With respect to each Series of Notes, the Issuer may, with the consent of the holders of greater than 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, and if so required, the Issuer will instruct the relevant Agent to give effect to any such amendment, as the case may be, at the sole expense of 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:

(i) to change the stated maturity of the principal of, any installment of or interest on such Notes;

(ii) to reduce the principal amount of, the amount of the principal that would be due and payable upon a declaration of acceleration pursuant to Condition 7 (Events of Default) of or the rate of interest on such Notes;

(iii) to change the currency or place of payment of principal or interest on such Notes; and

(iv) to impair the right to institute suit for the enforcement of any payment in respect of such Notes.

(b) In addition, no such amendment or notification may, without the consent of each affected Noteholder, 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.

(c) 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.

(d) 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:

(i) add to the Issuer's covenants for the benefit of the Noteholders; or

(ii) surrender any right or power of the Issuer in respect of a Series of Notes or the Fiscal and Paying Agency Agreement; or

(iii) provide security or collateral for a Series of Notes; or

(iv) cure any ambiguity in any provision, or correct any defective provision, of a Series of Notes; or

(v) change the terms and conditions of a Series of Notes or the Fiscal and Paying Agency Agreement in any manner that the Issuer deems necessary or desirable so long as any such change does not, and will not, adversely affect the rights or interest of any affected Noteholder.

(e) 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. 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.

(f) If at any time the holders of at least 10% in principal amount for the then outstanding Notes of a Series request the Issuer 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 Issuer will call the meeting for such purpose. 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.

(g) 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.

(h) At any meeting when there is a quorum present, holders of greater than 50% in principal amount of the then outstanding Notes of a Series 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.

13. 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 for the Noteholders until the expiration of the relevant period of prescription described under Condition 8 (Prescription). The Issuer will agree to perform and observe the obligations imposed upon it 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 their affiliates without being liable to account to the Noteholders for any resulting profit.

14. Governing Law; Consent to Jurisdiction and Service of Process

The Notes, the Fiscal and Paying Agency Agreement and the Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; provided, however, that Condition 2(a) of the Notes will be governed by, and construed in accordance with, French law; provided further that the provisions of the Guarantee relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law.

The Issuer has consented to the 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. The Issuer has appointed CT Corporation System, with offices currently at 111 Eighth Avenue, New York, New York 10011, as its agent (and not acting in its capacity as Guarantor) upon whom process may be served in any action brought against the Issuer in any U.S. or New York State court in connection with the Notes.

15. Definitions

Unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Agent**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Benchmark**" means the benchmark specified in the applicable Pricing Term Sheet.

"**Business Center**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial center as may be specified as such in the relevant Pricing Term Sheet or, if none is so specified, the financial center with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the euro-zone) or, if none is so connected, New York.

"**Business Day**" means:

(i) in the case of Notes denominated in US Dollars, a day on which commercial banks and foreign exchange markets settle payments are open for general business, including dealing in foreign exchange and foreign currency deposits, in New York City; and/or

(ii) in the case of a Specified Currency other than the US Dollar and/or one or more Business Centers, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Specified Currency in the Business Center(s) or, if none is specified, generally in each of the Business Centers so specified in the relevant Pricing Term Sheet.

"**Business Day Convention**" means the convention, if any, specified in the applicable Pricing Term Sheet, construed in accordance with Condition 3(b).

"**Calculation Agent**" means The Bank of New York Mellon or such other agent as may be appointed in relation to a specific Series of Notes and, if other than The Bank of New York Mellon, will be specified in the relevant Pricing Term Sheet in relation to a specific Series of Notes.

"**Calculation Amount**" means an amount specified in the relevant Pricing Term Sheet constituting either (i) in the case of one single denomination, the amount of that denomination (e.g., $10,000) or (ii) in the case of multiple denominations, the highest common amount by which the multiple denominations may be divided (for example, $1,000 in the case of $11,000, $12,000 or $13,000).

"**Certificate**" means a registered certificate representing one or more Notes of the same Series.

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

(i) if "Actual/Actual" or "Actual/Actual–ISDA" is specified in the relevant Pricing Term Sheet, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/Actual–ICMA" is specified in the relevant Pricing Term Sheet:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

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

"**Determination Date**" means the date specified as such in the relevant Pricing Term Sheet or, if none is so specified, the Specified Interest Payment Date;

if "Actual/365 (Fixed)" is specified in the relevant Pricing Term Sheet, the actual number of days in the Calculation Period divided by 365;

if "Actual/360" is specified in the relevant Pricing Term Sheet, the actual number of days in the Calculation Period divided by 360;

if "30/360", "360/360" or "Bond Basis" is specified in the relevant Pricing Term Sheet, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right)\right] + \left(D_2 - D_1\right)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(iii) if "30E/360" or "Eurobond Basis" is specified in the relevant Pricing Term Sheet, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right)\right] + \left(D_2 - D_1\right)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30";

(iv) if "30E/360 (ISDA)" is specified in the relevant Pricing Term Sheet, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right)\right] + \left(D_2 - D_1\right)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

"**Definitive Registered Note**" means a certificated Note in registered and definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the program agreement dated as of April 9, 2013 (the "Program Agreement"), by and among the Issuer, Natixis Securities Americas LLC and the Dealers named therein, providing for the offering and sale of the Notes or any other agreement between the Issuer and the relevant Dealer(s) either on issue or in exchange for all or part of a Global Note, the Note in registered and definitive form being in or substantially in the form set out in Part II of Schedule 4 of the Fiscal and Paying Agency Agreement with such modifications (if any) as may be agreed between the Issuer and the relevant Dealer(s) and having the Conditions endorsed on it or attached to it or, if permitted by the relevant stock exchange and agreed by the Issuer and the relevant Dealer(s), incorporated in it by reference and having the applicable Pricing Term Sheet (or the relevant provisions of the applicable Pricing Term Sheet) either incorporated in it or endorsed on it or attached to it.

"**Designated Exchange Rate**" means the exchange rate identified as such in the applicable Pricing Term Sheet.

"**DTC**" has the meaning attributed thereto in Condition 5(b).

"**DTC business day**" has the meaning attributed thereto in Condition 5(b).

"**Early Redemption Amount**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Pricing Term Sheet or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates. The Effective Date shall not be subject to adjustment in accordance with any Business Day Convention unless specifically provided in the relevant Pricing Term Sheet.

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

"**Event of Default**" has the meaning attributed thereto in Condition 7 (Events of Default).

"**Final Redemption Amount**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Fiscal and Paying Agent**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Fiscal and Paying Agency Agreement**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Fixed Rate Notes**" means Notes identified as such in the applicable Pricing Term Sheet.

"**Floating Rate**" means the rate identified as such in the applicable Pricing Term Sheet.

"**Floating Rate Notes**" mean Notes identified as such in the applicable Pricing Term Sheet.

"**Global Notes**" has the meaning attributed thereto in Condition 1(a)(i).

"**Guarantee**" means the unconditional guarantee by the Guarantor of the obligations of the Issuer to pay principal, interest and other amounts under the Notes.

"**Guarantor**" means the Natixis, acting through its New York branch.

"**Holders**" has the meaning attributed thereto in Condition 1(a)(iii).

"**Illegality Event**" has the meaning attributed thereto in Condition 4(h).

"**Installment Amount**" means the amount identified as such in the applicable Pricing Term Sheet.

"**Interest Amount**" means, in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period, which shall be determined as follows (except as otherwise specified in the applicable Pricing Term Sheet):

(i) in the case of any Interest Accrual Period for which a fixed Interest Amount is specified in the applicable Pricing Term Sheet, such fixed Interest Amount; and

(ii) in respect of any other Interest Accrual Period, the amount of interest calculated pursuant to Condition 3(e).

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

"**Interest Commencement Date**" means, in the case of interest bearing Notes, the Issue Date or such other date as may be specified in the relevant Pricing Term Sheet.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Pricing Term Sheet or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in New York prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) a Specified Interest Payment Date and ending on (but excluding) the next succeeding Specified Interest Payment Date.

"**Interest Period Date**" means each Specified Interest Payment Date unless otherwise specified in the relevant Pricing Term Sheet.

"**ISDA Definitions**" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Pricing Term Sheet.

"**ISDA Rate**" has the meaning attributed thereto in Condition 3(c)(i).

"**Issuer Call**" has the meaning attributed thereto in Condition 4(e).

"**Issuer's Option Period**" means the period specified in the applicable Pricing Term Sheet with respect to Condition 4(e).

"**Issue Date**" means, in relation to any Series, the date on which the Notes of that Series have been issued or, if not yet issued, the date agreed for their issue between the Issuer and the Relevant Dealer(s).

"**Margin**" means any amount specified as such in the applicable Pricing Term Sheet.

"**Maturity Date**" means the date identified as such in the applicable Pricing Term Sheet.

"**Maximum Rate of Interest**" means any amount specified as such in the applicable Pricing Term Sheet.

"**Minimum Rate of Interest**" means any amount specified as such in the applicable Pricing Term Sheet.

"**Noteholders**" has the meaning attributed thereto in Condition 1(a)(iii).

"**Optional Redemption Amount**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Optional Redemption Date**" means the date a Series of Notes is to be redeemed in accordance with Condition 4(e) or 4(f).

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those which have been repaid in full in accordance with the terms and conditions of the Notes, (b) those in respect of which the date for redemption has occurred and the redemption monies (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in terms and conditions of the Notes, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in terms and conditions of the Notes, (e) those mutilated or defaced certificated Notes which have been surrendered in exchange for replacement Notes, (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those certificated Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued, and (g) any Global Note to the extent that it has been exchanged for Definitive Registered Notes, provided that for the purpose of determining how many and which Notes of the Series are outstanding for the purposes of Condition 12 (Meetings of Noteholders, Modification and Waiver), those Notes, if any, that are for the time being held by or for the benefit of the Issuer or any Subsidiary shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"**Notes**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 ("**Reuters**")) as may be specified in the applicable Pricing Term Sheet for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organization providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"**Paying Agent**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Primary Source**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Principal Financial Center**" has the meaning attributed thereto in Condition 3(c)(ii)(4).

"**Rate of Exchange**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of the Note and that is either specified or calculated in accordance with the provisions specified in the relevant Pricing Term Sheet.

"**Record Date**" has the meaning attributed thereto in Condition 5(b).

"**Redeemed Notes**" has the meaning attributed thereto in Condition 4(e).

"**Redemption Amount**" means the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, as the case may be.

"**Reference Banks**" means the institutions specified as such in the relevant Pricing Term Sheet or, if none is so specified, five major banks selected by the Issuer in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if LIBOR is the relevant Benchmark, shall be the London interbank market).

"**Register**" means the register maintained by The Bank of New York Mellon as Registrar in accordance with the Fiscal and Paying Agency Agreement and Condition 1(a)(ii).

"**Registered Notes**" means Notes in registered form in accordance with Condition 1 (Form, Denomination, Title and Transfer).

"**Registrar**" means The Bank of New York Mellon (or such other Registrar as may be appointed under the Fiscal and Paying Agency Agreement generally or in relation to a specific Series of Notes).

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note being made in accordance with terms and conditions of the Notes, such payment will be made, provided that payment is in fact made upon such presentation.

"**Relevant Dealer**" means the dealer or dealers specified in the relevant Pricing Term Sheet with respect to a Series of Notes.

"**Relevant Indebtedness**" has the meaning attributed thereto in Condition 2(b).

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

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Business Center specified in the relevant Pricing Term Sheet or, if none is specified, the local time in the Business Center at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Business Center, or, if no such customary local time exists, 11.00 hours in the Business Center and for the purpose of this definition, "local time" means, with respect to Europe and the Euro-zone as a Business Center, Brussels time or otherwise stated in the relevant Pricing Term Sheet.

"**Replacement Page**" has the meaning attributed thereto in Condition 3(c)(ii)(2).

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

"**Secondary Replacement Page**" has the meaning attributed thereto in Condition 3(c)(ii)(2).

"**Selection Date**" has the meaning attributed thereto in Condition 4(e).

"**Series**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Specified Currency**" means U.S. dollars or any other currency specified as such in the relevant Pricing Term Sheet.

"**Specified Denomination**" has the meaning attributed thereto in the applicable Pricing Term Sheet. Unless otherwise specified in the Pricing Term Sheet, the Specified Denomination will be $250,000 and any multiple of $1,000 in excess thereof.

"**Specified Duration**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the relevant Pricing Term Sheet or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 3(b).

"**Specified Interest Payment Date**" has the meaning attributed thereto in the applicable Pricing Term Sheet.

"**Subsidiary**" means, in relation to any person or entity at any time, any other person or entity (whether or not now existing) meeting the definition of Article L. 233-1 of the French Commercial Code or any other person or entity controlled directly or indirectly by such person or entity within the meaning of Article L. 233-3 of the French Commercial Code.

"**Tranche**" has the meaning attributed thereto in the introductory paragraphs herein.

"**Transfer Agents**" means such Transfer Agent or Agents as may be appointed from time to time hereunder either generally or in relation to a specific Series of Notes.

"**Transfer Notice**" has the meaning attributed thereto in Condition 5(d).

References to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Installment Amounts, Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 4 (Redemption and Purchase) or Condition 5 (Payments) or any amendment or supplement to either or both of them, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 3 (Interest and Other Calculations) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under Condition 6 (Taxation).

GUARANTEE OF THE 3(A)(2) NOTES

The Guarantee granted by the Guarantor is only so granted with respect of the 3(a)(2) Notes. The Rule 144A Notes and Regulation S Notes will not benefit from the Guarantee.

The obligations of the Issuer to pay principal, interest and other amounts (including any additional amounts) under the 3(a)(2) Notes will be guaranteed by the Guarantor. The Guarantor's obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and will at all times rank *pari passu* with all present and future unsecured and unsubordinated indebtedness and obligations of the Guarantor without any preference among themselves and without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise, other than statutorily preferred exceptions. The Guarantee will 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 Guarantee. The Guarantee is 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 Guarantee. No trustee or other fiduciary will be appointed to make claims under the Guarantee on behalf of 3(a)(2) Noteholders. The Guarantor will be required to make payment under the Guarantee 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 Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; except that the provisions of the Guarantee 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 will consent to the 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 Guarantee.

BOOK-ENTRY PROCEDURES AND SETTLEMENT

Unless otherwise provided in the applicable Pricing Term Sheet, each series of Notes will be book-entry securities, represented upon issuance by one or more fully registered global Notes ("Global Notes"), without interest coupons, and each global Note will be deposited with, or on behalf of, The Depository Trust Company ("DTC"), as depositary, and will be registered in the name of Cede & Co., DTC's nominee. DTC will thus be the only registered holder of these Notes and will be considered the sole owner of the Notes for purposes of the Fiscal and Paying Agency Agreement. The Global Notes may take the form of one or more master notes representing one or more series of Notes.

Depositary Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream, Luxembourg are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. The Issuer and Guarantor take no responsibility for these operations and procedures and urges investors to contact the systems or their participants directly to discuss these matters.

DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "**Participants**") and facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the Dealers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "**Indirect Participants**"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants. DTC has no knowledge of the identity of beneficial owners of securities held by or on behalf of DTC. DTC's records reflect only the identity of Participants to whose accounts securities are credited. The ownership interests and transfer of ownership interests of each beneficial owner of each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Pursuant to procedures established by DTC:

- upon deposit of the Global Notes, DTC will credit the accounts of Participants designated by the Dealers with portions of the principal amount of the Global Notes, and

- ownership of such interests in the Global Notes will be maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including, as the case may be, Euroclear and Clearstream, Luxembourg) that are Participants or Indirect Participants in such system. Euroclear and Clearstream, Luxembourg will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream, Luxembourg. The depositaries, in turn, will hold interests in the Global Notes in customers' securities accounts in the depositaries' names on the books of DTC.

All interests in the Global Notes, including those held through Euroclear or Clearstream, Luxembourg, will be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream, Luxembourg will also be subject to the procedures and requirements of these systems. The laws of some states require that certain persons take physical delivery of certificates evidencing securities they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of beneficial owners of interests in the Global Notes to pledge such interests to persons or entities that do not participate in the

DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or holders thereof for any purpose.

Payments in respect of the principal of and premium, if any, and interest on a Global Note registered in the name of DTC or its nominee will be payable by the Paying Agent to DTC in its capacity as the registered holder under the Fiscal and Paying Agency Agreement. The Issuer, the Guarantor and the Paying Agent will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, none of the Issuer, the Guarantor, the Paying Agent or any agent of the Issuer, the Guarantor or the Paying Agent has or will have any responsibility or liability for:

- any aspect of DTC's records or any Participant's or Indirect Participant's records relating to, or payments made on account of beneficial ownership interests in, the Global Notes, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes, or

- any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

The Issuer and Guarantor understand that DTC's current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date in amounts proportionate to their respective holdings in the principal amount of the relevant security as shown on the records of DTC, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Paying Agent, the Issuer or the Guarantor. Neither the Issuer nor the Guarantor nor the Paying Agent will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the Notes, and the Issuer, the Guarantor and the Paying Agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream, Luxembourg participants, interests in the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will therefore settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants.

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between Participants in DTC, on the one hand, and Euroclear or Clearstream, Luxembourg participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be, by their depositaries. Cross-market transactions will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in that system in accordance with the rules and procedures and within the established deadlines (Brussels time) of that system. Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositaries to take action to effect final settlement on its behalf by delivering or receiving interests in the Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream, Luxembourg participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream, Luxembourg.

Because of time zone differences, the securities account of a Euroclear or Clearstream, Luxembourg participant purchasing an interest in a Global Note from a Participant in DTC will be credited and reported to the relevant Euroclear or Clearstream, Luxembourg participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream, Luxembourg) immediately following the settlement date of DTC. The Issuer and Guarantor understand that cash received in Euroclear or Clearstream, Luxembourg as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream, Luxembourg participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream, Luxembourg cash account only as of the business day for Euroclear or Clearstream, Luxembourg following DTC's settlement date.

The Issuer and Guarantor understand that DTC will take any action permitted to be taken by a holder of Notes only at the direction of one or more Participants to whose account with DTC interests in a Global Note are credited and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the foregoing procedures to facilitate transfers of interests in the Global Note among participants in DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or to continue to perform such procedures, and the procedures may be discontinued at any time. Neither the Issuer nor the Guarantor nor the Paying Agent, Fiscal and Paying Agent, Exchange Agent or Registrar will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg and their book-entry systems has been obtained from sources that the Issuer and the Guarantor believe to be reliable, but the Issuer and the Guarantor take no responsibility for the accuracy thereof.

Exchange of Global Notes for Certificated Notes

Global Notes will not be exchangeable for certificated Notes and will not otherwise be issuable as certificated Notes, subject to the following exceptions, whereby physical certificates will be issued to beneficial owners of a Global Note if:

- an Event of Default has occurred and is continuing;
- DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and the Issuer does not appoint a successor within 90 days; or
- DTC has ceased to constitute a clearing agency registered under the U.S. Securities Exchange Act of 1934, as amended, and the Issuer does not appoint a successor within 90 days.

If any of the events described in the preceding paragraph occurs, the Issuer will issue definitive Notes in certificated form in an amount equal to a holder's beneficial interest in the Notes. Certificated Notes will be issued in the denominations of the Notes indicated in the Pricing Term Sheet or, if no denomination is specified, in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof, and will be registered in the name of the person DTC specifies in a written instruction to the Registrar of the Notes.

In all cases, certificated Notes delivered in exchange for any Global Notes or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures).

In the event certificated Notes are issued:

- holders of certificated Notes will be able to receive payments of principal and interest on their Notes at the office of the Paying Agent maintained in the City of New York, unless otherwise specified in the applicable Pricing Term Sheet with respect to a Series of Notes;

- holders of certificated Notes will be able to transfer their Notes, in whole or in part, by surrendering the Notes for registration of transfer at the office of the Registrar. The Issuer will not charge any fee for the registration or transfer or exchange, except that the Issuer may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer.

TAXATION

French Taxation

The following is a summary of certain French tax considerations that may be relevant to holders of Notes issued by BPCE, who (i) are non-French residents, (ii) do not hold their Notes in connection with a business or profession conducted in France, as a permanent establishment or fixed base situated in France, and (iii) do not concurrently hold shares of the Issuer. Persons who are in any doubt as to their tax position should consult a professional tax adviser. This summary is based on French laws, regulations, rulings and decisions now in effect, all of which are subject to change. See "Risk Factors—Risks Relating to the Notes—Transactions on the Notes could be subject to the European financial transaction tax, if adopted."

Taxation of Interest Income and Other Revenues

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

Pursuant to Article 125 A III of the French General Tax Code, payments of interest and other revenues made by the Issuer on the Notes are not subject to withholding tax unless such payments are made outside of France in a non-cooperative State within the meaning of Article 238-0 A of the French General Tax Code (a "Non-Cooperative State"), in which case a 75% withholding tax is applicable subject to exceptions, certain of which are set forth below, and to more favorable provisions of any applicable double tax treaty. The 75% withholding tax is applicable irrespective of the tax residence of the holder of the Notes. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, according to Article 238 A of the French General Tax Code, interest and other revenues will not be deductible from the Issuer's taxable income if they are paid to or accrued by persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other revenues may be recharacterized as constructive dividends pursuant to Articles 109 *et seq.* of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the same Code, at a rate of 30% or 75%, subject to more favorable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French General Tax Code, the non-deductibility of the interest and other revenues, to the extent that they relate to genuine transactions and are not in an abnormal or exaggerated amount, nor the withholding tax set out under Article 119 *bis* 2 that may be levied as a result of such non-deductibility, will apply in respect of a particular issue of Notes, provided that the Issuer can prove that the main purpose and effect of such issue of Notes is not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "Exception").

In addition, pursuant to the provisions of the administrative guidelines BOI-INT-DG-20-50-20120912, an issue of Notes benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of Notes, if such Notes are:

(i) offered by means of a public offer within the meaning of Article L. 411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such

market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators provided that such depositaries or operators are not located in a Non-Cooperative State.

As a result, payments of interest or other revenues made by the Issuer with respect to Global Notes cleared through a clearing system such as DTC, Euroclear Bank S.A. / N.V. and/or Clearstream Banking will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code.

Interest and other revenues on Definitive Notes not cleared through a clearing system such as DTC, Euroclear Bank S.A. / N.V. and/or Clearstream Banking may be subject to withholding tax when paid outside France to a Non-Cooperative State, as described hereinabove. Such Definitive Notes will provide that no additional amounts will be payable in respect of any such withholding.

Taxation on Sale or Other Disposition

Under article 244 *bis* C of the French General Tax Code, a person that is not a resident of France for the purpose of French taxation generally is not subject to any French income tax or capital gains tax on any gain derived from the sale or other disposition of a debt security, unless such debt security forms part of the business property of a permanent establishment or a fixed base that such person maintains in France.

Stamp Duty and Other Transfer Taxes

Transfers of debt securities outside France will not be subject to any stamp duty or other transfer tax imposed in France, provided such transfer is not recorded or referred to in any manner whatsoever in a deed executed in France.

Estate and Gift Tax

France imposes estate and gift tax on securities of a French company that are acquired by inheritance or gift. According to article 750 *ter* of the French General Tax Code, the taxation is triggered without regard to the residence of the transferor. However, France has entered into estate and gift tax treaties with a number of countries pursuant to which, assuming certain conditions are met, residents of the treaty country may be exempted from such tax or obtain a tax credit.

As a result from the combination of the French domestic tax law and the estate and gift tax convention between the United States and France, a transfer of debt securities by gift or by reason of the death of a United States holder entitled to benefits under that convention will not be subject to French gift or inheritance tax, so long as, among other conditions, the donor or decedent was not domiciled in France at the time of the transfer and the debt securities were not used or held for use in the conduct of a business or profession through a permanent establishment or fixed base in France.

Wealth Tax

French wealth tax (*impôt de solidarité sur la fortune*) generally does not apply to debt securities owned by non-French residents according to article 885 L of the French General Tax Code. Subject to certain exceptions, a United States holder that is resident in the United States within the meaning of the income tax convention between the United States and France generally is exempt from French wealth tax.

Prospective purchasers who are individuals are urged to consult with their own tax advisers.

EU Savings Directive

Under the European Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "Savings Directive"), Member States of the EU are required to provide to the tax authorities of another Member State, *inter alia*, details of interest payments within the meaning of the Savings Directive (interest, premiums or other debt income) made by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident or certain limited types of entities established in that other Member State.

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

However, for a transitional period, certain Member States (Luxembourg and Austria) will apply a withholding system in relation to interest payments, unless during such period they elect otherwise. The rate of such withholding is currently 35 per cent. The beneficial owner of the interest payment may, on meeting certain conditions, request that no tax be withheld and elect instead for an exchange of information procedure.

A number of non-EU countries and dependent or associated territories of certain Member States have adopted similar measures to the Savings Directive.

On November 13, 2008 the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on April 24, 2009. If any of these proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

United States Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a holder of a Note that is a citizen or resident of the United States or a domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of the Notes (a "U.S. holder"). This summary deals only with U.S. holders that will hold Notes as capital assets, and does not address all tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, partnerships and the partners therein, insurance companies, dealers in securities or currencies, traders in securities electing to mark to market, persons that will hold Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or persons that have a "functional currency" other than the U.S. dollar. This summary deals only with Notes with a term of 30 years or less. Any special U.S. federal income tax considerations relevant to a particular issue of Notes will be provided in the applicable Pricing Term Sheet.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the "Code"), regulations, rulings and decisions now in effect, all of which may change. Any change could apply retroactively and could affect the continued validity of this summary.

Investors should consult their own tax advisors in determining the tax consequences to them of holding Notes, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

U.S. Treasury Department Circular 230 Notice

To ensure compliance with Treasury Department Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Base Offering Memorandum or the applicable supplement or Pricing Term Sheet or any document referred to therein or herein is not intended or written to be used, and cannot be used by holders for the purpose of avoiding penalties that may be imposed on them under the Code; (b) such discussion is written for use in connection

with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

Payments of Interest

Payments of "qualified stated interest" (as defined below under "Original Issue Discount") on a Note will be taxable to a U.S. holder as ordinary interest income at the time that such payments are paid or accrued (in accordance with the U.S. holder's method of tax accounting). If such payments of interest are made pursuant to the terms of a Note in a currency other than U.S. dollars (a "Foreign Currency"), the amount of interest income realized by a U.S. holder that uses the cash method of tax accounting will be the U.S. dollar value of the Foreign Currency payment based on the exchange rate in effect on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. A U.S. holder that uses the accrual method of accounting for tax purposes will accrue interest income on the Note in the Foreign Currency and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the U.S. holder's taxable year), or, at the accrual basis U.S. holder's election, at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. A U.S. holder that makes such election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the Internal Revenue Service (the "IRS"). A U.S. holder that uses the accrual method of accounting for tax purposes will recognize foreign currency gain or loss, as the case may be, on the receipt of an interest payment made pursuant to the terms of a Note in a Foreign Currency if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. This foreign currency gain or loss will be treated as ordinary income or loss and generally will not be treated as an adjustment to interest income received on the Note.

Purchase, Sale and Retirement of Notes

A U.S. holder's tax basis in a Note generally will equal the cost of such Note to such holder, increased by any amounts includible in income by the holder as original issue discount and market discount and reduced by any amortized premium (each as described below) and any payments other than payments of qualified stated interest made on such Note. In the case of a Note denominated in or by reference to a Foreign Currency (a "Foreign Currency Note"), the cost of such Note to a U.S. holder will be the U.S. dollar value of the Foreign Currency purchase price on the date of purchase. In the case of a Foreign Currency Note that is traded on an established market, a cash basis U.S. holder (and, if it so elects, an accrual basis U.S. holder) will determine the U.S. dollar value of the cost of such Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The amount of any subsequent adjustments to a U.S. holder's tax basis in a Note in respect of original issue discount, market discount and premium denominated in a Foreign Currency will be determined in the manner described under "Original Issue Discount" and "Premium and Market Discount" below. The conversion of U.S. dollars to a Foreign Currency and the immediate use of the Foreign Currency to purchase a Foreign Currency Note generally will not result in taxable gain or loss for a U.S. holder.

Upon the sale, exchange or retirement of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued qualified stated interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. If a U.S. holder receives Foreign Currency in respect of the sale, exchange or retirement of a Note, the amount realized will be the U.S. dollar value of the Foreign Currency received calculated at the exchange rate in effect on the date the instrument is disposed of or retired. In the case of a Foreign Currency Note that is traded on an established market, a cash basis U.S. holder, and if it so elects, an accrual basis U.S. holder will determine the U.S. dollar value of the amount realized by translating such amount at the spot rate on the settlement date of the sale. The election available to accrual basis U.S. holders in respect of the purchase and sale of Foreign Currency Notes that are traded on an established market, discussed above, must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS.

Except as discussed below with respect to market discount, Short-Term Notes (as defined below) and foreign currency gain or loss, gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Long-term capital gains

recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income.

Gain or loss recognized by a U.S. holder on the sale, exchange or retirement of a Foreign Currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held such Note. This foreign currency gain or loss will not be treated as an adjustment to interest income received on the Notes.

Original Issue Discount

The original issue discount ("OID") on a Note will equal the difference between the "stated redemption price at maturity" (as defined below) of the Note and the issue price of the Note. The "stated redemption price at maturity" is equal to the sum of all payments provided by a Note other than payments of qualified stated interest. If OID on a Note exceeds a de minimis threshold, the Note is an "Original Issue Discount Note." U.S. holders of Original Issue Discount Notes generally will be subject to the special tax accounting rules for obligations issued with OID provided by the Code, as amended, and certain regulations promulgated thereunder (the "OID Regulations"). U.S. holders of such Notes should be aware that, as described in greater detail below, they generally must include OID in ordinary gross income for United States federal income tax purposes as it accrues, in advance of the receipt of cash attributable to that income.

In general, each U.S. holder of an Original Issue Discount Note, whether such holder uses the cash or the accrual method of tax accounting, will be required to include in ordinary gross income the sum of the "daily portions" of OID on the Note for all days during the taxable year that the U.S. holder owns the Note. The daily portions of OID on an Original Issue Discount Note are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of an Original Issue Discount Note, provided that no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. In the case of an initial holder, the amount of OID on an Original Issue Discount Note allocable to each accrual period is determined by (a) multiplying the "adjusted issue price" (as defined below) of the Original Issue Discount Note at the beginning of the accrual period by the yield to maturity of such Original Issue Discount Note (appropriately adjusted to reflect the length of the accrual period) and (b) subtracting from that product the amount (if any) of qualified stated interest (as defined below) allocable to that accrual period. The yield to maturity of a Note is the discount rate that causes the present value of all payments on the Note as of its original issue date to equal the issue price of such Note. The "adjusted issue price" of an Original Issue Discount Note at the beginning of any accrual period will generally be the sum of its issue price (generally including accrued interest, if any) and the amount of OID allocable to all prior accrual periods, reduced by the amount of all payments other than payments of qualified stated interest (if any) made with respect to such Note in all prior accrual periods. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually during the entire term of an Original Issue Discount Note at a single fixed rate of interest or, subject to certain conditions, based on one or more interest indices. In the case of an Original Issue Discount Note that is a Floating Rate Note, both the "yield to maturity" and "qualified stated interest" will generally be determined for these purposes as though the Original Issue Discount Note will bear interest in all periods at a fixed rate generally equal to the rate that would be applicable to the interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield that is reasonably expected for the Note. (Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index.) As a result of this "constant yield" method of including OID in income, the amounts includible in income by a U.S. holder in respect of an Original Issue Discount Note denominated in U.S. dollars generally are lesser in the early years and greater in the later years than the amounts that would be includible on a straight-line basis.

A U.S. holder generally may make an irrevocable election to include in its income its entire return on a Note (i.e., the excess of all remaining payments to be received on the Note, including payments of qualified stated interest, over the amount paid by such U.S. holder for such Note) under the constant-yield method described above. For Notes purchased at a premium or bearing market discount in the hands of the U.S. holder, the U.S. holder making such election will also be deemed to have made the election (discussed below in "Premium and Market Discount") to amortize premium or to accrue market discount in income currently on a constant-yield basis.

In the case of an Original Issue Discount Note that is also a Foreign Currency Note, a U.S. holder should determine the U.S. dollar amount includible in income as OID for each accrual period by (a) calculating the amount of OID allocable to each accrual period in the Foreign Currency using the constant-yield method described above, and (b) translating the amount of the Foreign Currency so derived at the average exchange rate in effect during that accrual period (or portion thereof within a U.S. holder's taxable year) or, at the U.S. holder's election (as described above under "Payments of Interest"), at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. Because exchange rates may fluctuate, a U.S. holder of an Original Issue Discount Note that is also a Foreign Currency Note may recognize a different amount of OID income in each accrual period than would the holder of an otherwise similar Original Issue Discount Note denominated in U.S. dollars. All payments on an Original Issue Discount Note (other than payments of qualified stated interest) will generally be viewed first as payments of previously accrued OID (to the extent thereof), with payments attributed first to the earliest-accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID (whether in connection with a payment of an amount that is not qualified stated interest or the sale or retirement of the Original Issue Discount Note), a U.S. holder will recognize ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the Original Issue Discount Note, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

A subsequent U.S. holder of an Original Issue Discount Note that purchases the Note at a cost less than its remaining redemption amount (as defined below), or an initial U.S. holder that purchases an Original Issue Discount Note at a price other than the Note's issue price, also generally will be required to include in gross income the daily portions of OID, calculated as described above. However, if the U.S. holder acquires the Original Issue Discount Note at a price greater than its adjusted issue price, such holder is required to reduce its periodic inclusions of OID income to reflect the premium paid over the adjusted issue price. The "remaining redemption amount" for a Note is the total of all future payments to be made on the Note other than payments of qualified stated interest.

Floating Rate Notes generally will be treated as "variable rate debt instruments" under the OID Regulations. Accordingly, the stated interest on a Floating Rate Note generally will be treated as "qualified stated interest" and such a Note will not have OID solely as a result of the fact that it provides for interest at a variable rate. If a Floating Rate Note does not qualify as a "variable rate debt instrument," such Note will be subject to special rules (the "Contingent Payment Regulations") that govern the tax treatment of debt obligations that provide for contingent payments ("Contingent Payment Debt Instruments"). A detailed description of the tax considerations relevant to U.S. holders of any such Notes will be provided in the applicable supplement or Pricing Term Sheet.

Certain of the Notes may be subject to special redemption, repayment or interest rate reset features, as indicated in the applicable supplement or Pricing Term Sheet. Notes containing such features, in particular Original Issue Discount Notes, may be subject to special rules that differ from the general rules discussed above. Purchasers of Notes with such features should carefully examine the applicable supplement or Pricing Term Sheet and should consult their own tax advisors with respect to such Notes since the tax consequences with respect to such features, and especially with respect to OID, will depend, in part, on the particular terms of the purchased Notes.

Premium and Market Discount

A U.S. holder of a Note that purchases the Note at a cost greater than its remaining redemption amount (as defined in the third preceding paragraph) will be considered to have purchased the Note at a premium, and may elect to amortize such premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Note. Such election, once made, generally applies to all bonds held or subsequently acquired by the U.S. holder on or after the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A U.S. holder that elects to amortize such premium must reduce its tax basis in a Note by the amount of the premium amortized during its holding period. Original Issue Discount Notes purchased at a premium will not be subject to the OID rules described above. In the case of premium in respect of a Foreign Currency Note, a U.S. holder should calculate the amortization of such premium in the specified currency. Amortization deductions attributable to a period reduce interest payments in respect of that period and therefore are translated into U.S. dollars at the exchange rate used by the U.S. holder for such interest payments. Exchange gain or loss will be

realized with respect to amortized bond premium on such a Note based on the difference between the exchange rate on the date or dates such premium is recovered through interest payments on the Note and the exchange rate on the date on which the U.S. holder acquired the Note. With respect to a U.S. holder that does not elect to amortize bond premium, the amount of bond premium will be included in the U.S. holder's tax basis when the Note matures or is disposed of by the U.S. holder. Therefore, a U.S. holder that does not elect to amortize such premium and that holds the Note to maturity generally will be required to treat the premium as capital loss when the Note matures.

If a U.S. holder of a Note purchases the Note at a price that is lower than its remaining redemption amount, or in the case of an Original Issue Discount Note, its adjusted issue price, by at least 0.25% of its remaining redemption amount multiplied by the number of remaining whole years to maturity, the Note will be considered to have "market discount" in the hands of such U.S. holder. In such case, gain realized by the U.S. holder on the disposition of the Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by such U.S. holder. In addition, the U.S. holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note. In general terms, market discount on a Note will be treated as accruing ratably over the term of such Note, or, at the election of the holder, under a constant-yield method. Market discount on a Foreign Currency Note will be accrued by a U.S. holder in the specified currency. The amount includible in income by a U.S. holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued, generally calculated at the exchange rate in effect on the date that the Note is disposed of by the U.S. holder.

A U.S. holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of a Note as ordinary income. If a U.S. holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. Any accrued market discount on a Foreign Currency Note that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. holder's taxable year). Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS.

Short-Term Notes

The rules set forth above will also generally apply to Notes having maturities of not more than one year ("Short-Term Notes"), but with certain modifications.

First, the OID Regulations treat *none* of the interest on a Short-Term Note as qualified stated interest. Thus, all Short-Term Notes will be Original Issue Discount Notes. OID will be treated as accruing on a Short-Term Note ratably, or at the election of a U.S. holder, under a constant yield method.

Second, a U.S. holder of a Short-Term Note that uses the cash method of tax accounting and is not a bank, securities dealer, regulated investment company or common trust fund, and does not identify the Short-Term Note as part of a hedging transaction, will generally not be required to include OID in income on a current basis. Such a U.S. holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such Note until the Maturity of the Note or its earlier disposition in a taxable transaction. In addition, such a U.S. holder will be required to treat any gain realized on a sale, exchange or retirement of the Note as ordinary income to the extent such gain does not exceed the OID accrued with respect to the Note during the period the U.S. holder held the Note. Notwithstanding the foregoing, a cash-basis U.S. holder of a Short-Term Note may elect to accrue original issue discount into income on a current basis (in which case the limitation on the deductibility of interest described above will not apply). A U.S. holder using the accrual method of tax accounting and certain cash-basis U.S. holders (including banks, securities dealers, regulated investment companies and common trust funds) generally will be required to include original issue discount on a Short-Term Note in income on a current basis.

Third, any U.S. holder (whether cash or accrual basis) of a Short-Term Note can elect to accrue the "acquisition discount," if any, with respect to the Note on a current basis. If such an election is made, the OID rules will not apply to the Note. Acquisition discount is the excess of the remaining redemption amount of the Note at the

time of acquisition over the purchase price. Acquisition discount will be treated as accruing ratably or, at the election of the U.S. holder, under a constant-yield method based on daily compounding.

Finally, the market discount rules will not apply to a Short-Term Note.

Information Reporting and Backup Withholding

The Paying Agent may be required to file information returns with the IRS with respect to payments made to certain U.S. holders of Notes. In addition, certain U.S. holders may be subject to backup withholding tax in respect of such payments if they do not provide their taxpayer identification numbers to the Paying Agent. Persons holding Notes who are not U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding tax.

A U.S. Holder may be required to report a disposition of Notes to the IRS if it recognized foreign currency loss from a single transaction that exceeds, in the case of an individual or trust, $50,000 in a single tax year or, in other cases, various higher thresholds. U.S. Holders that recognize foreign currency losses on the Notes should consult their tax advisors.

ERISA MATTERS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" as defined in section 3(3) of ERISA ("ERISA Plans") that are subject to Title I of ERISA and on persons who are fiduciaries with respect to any ERISA Plan. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to an ERISA Plan who is considering the purchase of the Notes on behalf of the ERISA Plan should determine whether the purchase is permitted under the governing ERISA Plan documents and is prudent and appropriate for the ERISA Plan in view of its overall investment policy and the composition and diversification of its portfolio.

In addition to ERISA's general fiduciary standards, section 406 of ERISA and section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), prohibit certain transactions between (a) an ERISA Plan, (b) a plan that is not subject to ERISA but to which section 4975 of the Code applies, such as an individual retirement account ("IRA"), or (c) an entity whose underlying assets are deemed include the assets of any such ERISA Plans or plans by reason of U.S. Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise (each of (a), (b) and (c), a "Plan") and persons who have certain specified relationships to the Plan ("parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of section 4975 of the Code). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or the Code. A fiduciary of a Plan (including the owner of an IRA) that engages in a prohibited transaction may also be subject to penalties and liabilities under ERISA and/or the Code.

The Issuer, directly or through its affiliates, may be considered a "party in interest" or a "disqualified person" with respect to many Plans. The purchase of the Notes by a Plan with respect to which the Issuer is a party in interest or a disqualified person may constitute or result in a prohibited transaction under section 406 of ERISA or section 4975 of the Code, unless the Notes are acquired pursuant to and in accordance with an applicable exemption. Certain administrative class exemptions may be available such as Prohibited Transaction Class Exemption ("PTCE") 84-14 (an exemption for certain transactions determined by an independent qualified professional asset manager), PTCE 91-38 (an exemption for certain transactions involving bank collective investment funds), PTCE 90-1 (an exemption for certain transactions involving insurance company pooled separate accounts), PTCE 95-60 (an exemption for certain transactions involving insurance company general accounts) or PTCE 96-23 (an exemption for certain transactions determined by an in-house asset manager). In addition, the statutory exemption under section 408(b)(17) of ERISA and section 4975(d)(20) of the Code may be available, provided that (i) none of the Issuer, the Dealers or any affiliates or employees thereof is a Plan fiduciary that has or exercises any discretionary authority or control with respect to the Plan's assets used to purchase the Notes or renders investment advice with respect to those assets and (ii) the Plan is paying no more than adequate consideration for the Notes. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Notes. Governmental, church and non-U.S. plans, while not subject to the provisions of section 406 of ERISA or section 4975 of the Code, may nevertheless be subject to local, state, federal or non-U.S. laws that are substantially similar to the foregoing provisions of ERISA and the Code ("Similar Laws").

By its purchase of any offered Note, the purchaser or transferee thereof (and the person, if any, directing the acquisition of the offered Note by the purchaser or transferee) will be deemed to represent, on each day from and including the date on which the purchaser or transferee acquires the offered Note through and including the date on which the purchaser or transferee disposes of its interest in such offered Note, either that (a) such purchaser or transferee is not a Plan or a governmental, church or non-U.S. plan that is subject to Similar Laws or (b) the purchase, holding and disposition of such offered Note will not result in a prohibited transaction under section 406 of ERISA or section 4975 of the Code (or in the case of a governmental, church or non-U.S. plan, any Similar Laws) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.

The above discussion may be modified or supplemented with respect to a particular offering of Notes, including the addition of further ERISA or Similar Law restrictions on purchase and transfer. In addition, if so specified in the applicable Pricing Term Sheet, the purchaser or transferee of a Note may be required to deliver to the relevant Issuer and the relevant agents a letter, in the form available from such Issuer and agents, containing

certain representations, including those contained in the preceding paragraph. Please consult the applicable Pricing Term Sheet for such additional information.

Fiduciaries (including owners of IRAs) or other persons considering purchasing Notes on behalf of or with the assets of any Plan or any governmental, church or non-U.S. plan should consult with their legal counsel concerning the potential consequences of such purchase under ERISA, the Code, or Similar Laws. Each purchaser of a Note will have exclusive responsibility for ensuring that its purchase, holding, and subsequent disposition of the Note does not violate the fiduciary or prohibited transaction rules of ERISA, the Code, or any Similar Laws.

The sale of any of the Notes to a Plan or a governmental, church or non-U.S. plan is in no respect a representation by the Issuer, any Dealer or any of its affiliates or representatives that such an investment meets any or all of the relevant legal requirements for investments by any such Plan or governmental, church or non-U.S. plan generally or any particular Plan or governmental, church or non-U.S. plan, or that such investment is appropriate for such Plans or governmental, church or non-U.S. plans generally or any particular Plan or governmental, church or non-U.S. plan.

PLAN OF DISTRIBUTION

The Notes are being offered on a continuous basis for sale by the Issuer to or through Natixis Securities Americas LLC, Barclays Capital Inc., Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, together with such other Dealers as may be appointed by the Issuer with respect to a particular series of Notes (the "Dealers"). One or more Dealers may purchase Notes at a discount, as principal, from the Issuer from time to time for resale or, if so specified in the applicable Pricing Term Sheet, for resale at varying prices relating to prevailing market prices. The Issuer will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes in whole or in part. The Issuer has reserved the right to sell Notes through one or more other dealers in addition to the Dealers and directly to investors on behalf of the Issuer in those jurisdictions where it is authorized to do so. Each Dealer will have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes through it in whole or in part. No commission will be payable by the Issuer to any of the Dealers on account of sales of Notes made through such other dealers or directly by the Issuer.

In addition, the Dealers may offer the Notes they have purchased as principal to other dealers. The Dealers may sell Notes to any dealer at a discount and, unless otherwise specified in the applicable Pricing Term Sheet, such discount allowed to any dealer will not be in excess of the discount to be received by such Dealer from the Issuer. Unless otherwise indicated in the applicable Pricing Term Sheet, any Note sold to a Dealer as principal will be purchased by such Dealer at a price equal to the offering price (expressed as a percentage of the principal amount) less a percentage equal to the commission, and may be resold by the Dealer to investors and other purchasers as described above. After the initial public offering of Notes to be resold to investors and other purchasers, the public offering price (in the case of Notes to be resold at a fixed public offering price), the concession and discount may be changed.

The Issuer may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase Notes in whole or in part. Each Dealer shall have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase Notes received by it on an agency basis.

The Issuer has agreed to indemnify each Dealer against, or to make contributions relating to, certain liabilities in connection with the offering and sale of the Notes, including liabilities under the Securities Act.

The Dealers may from time to time purchase and sell Notes in the secondary market, but they are not obligated to do so, and there can be no assurance that there will be a secondary market for the Notes or liquidity in the secondary market if one develops. From time to time, the Dealers may make a market for the Notes. After a distribution of a Series of Notes is completed, because of certain regulatory restrictions arising from its affiliation with the Issuer, the Broker-Dealer Affiliate may not be able to make a market in such Series of Notes or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of Notes. Other Dealers unaffiliated with the Issuer will not be subject to such prohibitions.

The 3(a)(2) Notes

The Dealers may propose to offer, from time to time, 3(a)(2) Notes for sale or resale in transactions not requiring registration under the Securities Act pursuant to an exemption from registration under Section 3(a)(2) under the Securities Act.

Conflicts of Interest with Respect to the 3(a)(2) Notes

Natixis Securities Americas LLC (the "Broker-Dealer Affiliate") is a subsidiary of the Issuer and the Guarantor. As a result, a conflict of interest under FINRA Rule 5121 is deemed to exist, and any distribution of the 3(a)(2) Notes offered hereby by the Broker-Dealer Affiliate will be made in compliance with applicable provisions of such rule. The Broker-Dealer Affiliate will not sell 3(a)(2) Notes into any account over which it has discretionary authority without the prior specific written approval of the account holder.

Each Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act of 1933, as amended, and any discounts and commissions received by it and any profit realized by it on resale of the 3(a)(2) Notes may be deemed to be underwriting discounts and commissions.

Other Relationships

Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Dealers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Rule 144A Notes and Regulation S Notes

Each Dealer will offer or sell the Rule 144A Notes only within the United States to persons it reasonably believes to be "qualified institutional buyers" (within the meaning of Rule 144A) in reliance on Rule 144A.

Each Dealer has agreed that, except as permitted by the Program Agreement and set forth in the "Notice to Investors," it will not offer or sell Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, and it will have sent to each distributer or dealer to which it sells such Regulation S Notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of an offering of Regulation S Notes, an offer or sale of Regulation S Notes within the United States by a dealer (whether or not such dealer is participating in such offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each purchaser of Rule 144A Notes and Regulation S Notes offered hereby in making its purchase will be deemed to have made the acknowledgments, representations and agreements set forth under "Notice to U.S. Investors" herein.

Price Stabilization and Short Positions

In connection with an offering of Notes purchased by one or more Dealers as principal on a fixed offering price basis, certain persons participating in the offering (including such Dealers) may engage in stabilizing and syndicate covering transactions. Syndicate covering transactions involve purchases of Notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing and syndicate covering transactions may cause the price of the Notes to be higher than they would otherwise be in the absence of such transactions. These transactions, if commenced, may be discontinued at any time.

Neither we nor any of the Dealers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor any of the Dealers make any representation that the relevant Dealer(s) or their representatives, if any, will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed, and each further Dealer appointed under the program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) if the Pricing Term Sheet in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Pricing Term Sheet contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, (i) the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, (ii) the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and (iii) the expression "2010 PD Amending Directive" means Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

Notice to Prospective Investors in the United Kingdom

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

- in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

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

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in France

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

- this Base Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of securities in France (*offre au public de titres financiers*) within the meaning of Article L. 411-1 of the *Code monétaire et financier* and, therefore, this Base Offering Memorandum, the applicable Pricing Term Sheet or any other offering materials relating to the Notes have not been and will not be filed with the French *Autorité des marchés financiers* (the "AMF") for prior approval or submitted for clearance to the AMF and, more generally no prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Notes that has been approved by the AMF or by the competent authority of another Member State of the European Economic Area and notified to the AMF and to the Issuer;

- it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France;

- it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Offering Memorandum, the applicable Pricing Term Sheet or any other offering materials relating to the Notes; and

- such offers, sales and distributions have been and will only be made in France to persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), or qualified investors (*investisseurs qualifiés*) investing for their own account, all as defined in Articles L. 411-2 and D. 411-1 of the French *Code monétaire et financier* and applicable regulations thereunder. The direct or indirect distribution to the public in France of any Notes so acquired may be made only in accordance with the provisions of Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the *Code monétaire et financier* and applicable regulations thereunder.

If necessary, these selling restrictions will be supplemented in the applicable supplement or Pricing Term Sheet.

NOTICE TO U.S. INVESTORS

Because of the following restrictions on Rule 144A Notes and Regulation S Notes, purchasers are advised to read the below carefully and consult legal counsel prior to making any offer, resale, pledge or other transfer of any Rule 144A Notes or Regulation S Notes.

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgements, representations to and agreements with the Issuer and the Dealers:

1. You acknowledge that:

- the Rule 144A Notes and Regulation S Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

- unless so registered, the Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and, if applicable, in compliance with the conditions for transfer set forth in paragraph (4) below.

2. You represent that:

- if you are purchasing the Rule 144A Notes, you are a QIB and are purchasing such Notes for your own account or for the account of another QIB, and you are aware that the Dealers are selling such Notes to you in reliance on Rule 144A; or

- if you are purchasing the Regulation S Notes, you are not a U.S. person (as defined in Regulation S) and are purchasing such Notes in an offshore transaction in accordance with Regulation S.

3. You acknowledge that neither the Issuer nor the Dealers nor any person representing the Issuer or the Dealers has made any representation to you with respect to the Issuer or the offering of the Notes, other than the information contained or incorporated by reference in this Base Offering Memorandum and any applicable Pricing Term Sheet. You agree that you have had access to such financial and other information concerning the Issuer, the Guarantor and the Notes as you have deemed necessary in connection with your decision to purchase Notes, including an opportunity to ask the Issuer questions and request information.

4. You represent that either (a) you are neither (i) an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan, account or arrangement subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), including an entity such as a collective investment fund, partnership or separate account whose underlying assets include the assets of any such plan, account, arrangement (each, a "Plan") nor (ii) an employee benefit plan that is a governmental plan (as defined in Section 3(32) of ERISA), non-electing church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA) (each, a "Non-ERISA Arrangement") and you are not purchasing or holding the Notes on behalf of or with "plan assets" of any Plan or Non-ERISA Arrangement or (b) such purchase and holding of the Notes does not constitute and will not result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code or a violation of similar rules under other applicable laws or regulations.

5. If you are a purchaser of Rule 144A Notes pursuant to Rule 144A, you acknowledge and agree that such Notes may be offered, sold or otherwise transferred, if prior to the date: (i) that is at least one year after the later of the last original issue date of such Notes and (ii) the date on which the Issuer determines that the legend to this effect shall be deemed removed from the corresponding 144A global note, only:

A) to the Issuer or any of its affiliates;

B) pursuant to an effective registration statement under the Securities Act (the Issuer having no obligation to effect any such registration),

C) to a QIB in compliance with Rule 144A;

D) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; or

E) pursuant to any other available exemption from registration requirements of the Securities Act;

provided that as a condition to registration of transfer of such Notes, the Issuer or the fiscal agent may require delivery of any documents or other evidence that the Issuer or the fiscal agent each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

You also acknowledge that each global certificate in respect of Rule 144A Notes will contain a legend substantially to the following effect:

THIS LEGEND SHALL BE REMOVED SOLELY AT THE OPTION OF THE ISSUER.

THE NOTES EVIDENCED HEREBY (THE "NOTES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER, OR AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF, THE SECURITIES ACT. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT;

(2) REPRESENTS THAT EITHER (A) IT IS NEITHER (I) AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), A PLAN, ACCOUNT OR ARRANGEMENT SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR AN ENTITY SUCH AS A COLLECTIVE INVESTMENT FUND, PARTNERSHIP OR SEPARATE ACCOUNT WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT (EACH, A "PLAN") NOR (II) AN EMPLOYEE BENEFIT PLAN THAT IS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), NON-ELECTING CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) OR NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) (EACH, A "NON-ERISA ARRANGEMENT") AND IT IS NOT PURCHASING OR HOLDING THE NOTES ON BEHALF OF OR WITH "PLAN ASSETS" OF ANY PLAN OR NON-ERISA ARRANGEMENT OR (B) SUCH PURCHASE AND HOLDING OF THE NOTES DOES NOT CONSTITUTE AND WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR RULES UNDER OTHER APPLICABLE LAWS OR REGULATIONS; AND

(3) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT:

A) TO THE ISSUER OR ANY AFFILIATE THEREOF;

B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT (THE ISSUER HAVING NO OBLIGATION TO EFFECT ANY SUCH REGISTRATION);

C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT;

D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR 904 UNDER REGULATION S UNDER THE SECURITIES ACT; OR

E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH THE FOREGOING, THE ISSUER AND THE FISCAL AGENT RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

6. You acknowledge that the Issuer, the Dealers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify the Issuer and the Dealers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

LEGAL MATTERS

Cleary Gottlieb Steen & Hamilton LLP, Paris, France, have acted as U.S. and French legal counsel to the Issuer and the Guarantor in connection with the issuance of the Notes.

Davis Polk &Wardwell LLP, Paris, France, have acted as U.S. legal counsel to the Dealers in connection with the issuance of the Notes.

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