

SOCIÉTÉ GÉNÉRALE SCF
€ 15,000,000,000
EURO MEDIUM TERM NOTE PROGRAMME
for the issue of *Obligations Foncières*

Under the Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), SOCIÉTÉ GÉNÉRALE SCF (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations foncières* (the "**Notes**"), benefiting from the statutory *privilège* created by article L.515-19 of the French Monetary and Financial Code (*Code monétaire et financier*), as more fully described herein. No credit linked Notes will be issued under the Programme.

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

This Base Prospectus replaces and supersedes the base prospectus dated 25 May 2011 as supplemented by the supplements dated 19 October 2011, 15 November 2011 and 4 April 2012 respectively.

An application has been made for approval of this Base Prospectus to the *Autorité des marchés financiers* (the "**AMF**") in France in its capacity as the competent authority pursuant to article 212-2 of its *Règlement Général* which implements the Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area).

An application may be made to Euronext Paris within a period of twelve (12) months after the date of this Base Prospectus for Notes issued under the Programme to be listed and admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instrument Directive 2004/39/EC of 21 April 2004 (a "**Regulated Market**"). Notes issued under the Programme may also be unlisted or listed and admitted to trading on any other market, including any other Regulated Market in any Member State of the European Economic Area. The relevant final terms (a form of which is contained herein) in respect of the issue of any Notes (the "**Final Terms**") will specify whether or not such Notes will be listed and admitted to trading on any market and, if so, the relevant market. Notes admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of €100,000 (or its equivalent in any other currency at the time of issue), or such higher amount as may be allowed or required by the relevant monetary authority or any applicable laws or regulations.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein.

Dematerialised Notes will at all times be in book-entry form in compliance with articles L.211-3 *et seq.* of the French Monetary and Financial Code. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination"), in either fully registered form (*au nominatif pur*), in which case they will be either inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached, on or after a date expected to be on or about the fortieth (40th) day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificate in respect of Materialised Notes") upon certification as to non-U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche (as defined in "Terms and Conditions of the Notes") intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository for Euroclear and Clearstream, Luxembourg, and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s) (as defined below).

Notes issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services and Aaa by Moody's Investors Service (together, the "**Rating Agencies**"). The rating of Notes will be specified in the relevant Final Terms. 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 without notice. Investors are invited to refer to the websites of the relevant Rating Agencies in order to have access to the latest rating (respectively: <http://www.standardandpoors.com> and <http://www.moody.com>).

As of the date of this Base Prospectus, each of the Rating Agencies is established in the European Union and are registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"). Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

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



In accordance with articles L. 412-1 and L. 621-8 of the French Monetary and Financial Code and with the General Regulation of the AMF, in particular articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa n°12-229 on 25 May 2012. This Base Prospectus was prepared by the Issuer and its signatories assume responsibility for it.

The visa, in accordance with article L. 621-8-1-I of the French Monetary and Financial Code, has been granted by the AMF after the AMF has examined of whether the document is complete and understandable, and the information it contains is consistent. It does not imply that the AMF has approved the interest of the operation, nor that the AMF has verified the accounting and financial data set out herein.

In accordance with article 212-32 of the General Regulation of the AMF, any issuance or admission to trading of Notes on the basis of this Base Prospectus will be subject to prior publication of the final terms and conditions of the Notes to be issued.

ARRANGER

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

PERMANENT DEALER

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

PREAMBLE

This Base Prospectus (together with all supplements thereto from time to time), constitutes a base prospectus for the purposes of article 5.4 of the Prospectus Directive and contains all relevant information concerning the Issuer which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, as well as the base terms and conditions of the Notes to be issued under the Programme. The terms and conditions applicable to each Tranche (as defined in "General Description of the Programme") not contained herein (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue on the basis of the then prevailing market conditions and will be set out in the relevant Final Terms.

This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and, in relation to any Tranche of Notes, should be read and construed in conjunction with the relevant Final Terms.

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

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

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

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

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

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

The Arranger and the Dealer(s) have not separately verified the information contained or incorporated by reference in this Base Prospectus. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Base Prospectus. Neither this Base Prospectus nor any other information supplied in connection with the Programme (including any information incorporated by reference therein) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealer(s) that any recipient of this Base Prospectus or other information supplied in connection with the Programme (including any information incorporated by reference therein) should purchase the Notes. Each prospective investor in the Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of the Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information that may come to the attention of any of the Dealers or the Arranger.

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

None of the Dealers or the Issuer makes any representation to any prospective investor in the Notes regarding the legality of its investment under any applicable laws. Any prospective investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

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

For the purposes of this Base Prospectus, cross-references to the definition of capitalised terms used in this Base Prospectus are set out in the section entitled "Index of defined terms".

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SUPPLEMENT TO THE BASE PROSPECTUS

In connection with Notes admitted to trading on a Regulated Market, unless the Issuer does not intend to issue Notes under the Programme for the time being, if at any time during the duration of the Programme, there is any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer shall prepare a supplement to the Base Prospectus in accordance with article 16 of the Prospectus Directive and article 212-25 of the AMF's *Règlement Général* or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes, submit such supplement to the Base Prospectus to the AMF for approval and supply each Dealer, Euronext Paris and the AMF with such number of copies of such supplement to the Base Prospectus as may reasonably be requested.

DOCUMENTS INCORPORATED BY REFERENCE

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

- the "SG SCF – Rapport des commissaires aux comptes sur les comptes annuels - Exercice clos le 31 décembre 2011" (the "**2011 Auditors' Report**") and the "Etats Financiers au 31 décembre 2011" (the "**2011 Annual Accounts**") (both in the French language) (together, the "**2011 Financial Statements**"); and
- the "SG SCF – Rapport des commissaires aux comptes sur les comptes annuels - Exercice clos le 31 décembre 2010" (the "**2010 Auditors' Report**") and the "Etats Financiers au 31 décembre 2010" (the "**2010 Annual Accounts**") (both in the French language) (together, the "**2010 Financial Statements**").

Any document incorporated by reference in this Base Prospectus may be obtained, without charge and upon request, at the principal office of the Issuer and the Paying Agent(s) as set out at the end of this Base Prospectus during normal business hours for so long as any of the Notes are outstanding. Such document will be published on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com> and www.investisseur.socgen.com).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below. Any information not listed in the cross reference list but included in the document incorporated by reference is given for information purposes only.

Cross-reference list

| INFORMATION INCORPORATED BY REFERENCE (Annex IX of the European Regulation 809/2004/EC) | REFERENCE |
|--|--|
| 11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES | |
| <u>11.1 Historical financial information</u> | |
| | 2011 Financial Statements |
| - Balance sheet | Section entitled " <i>Bilan au 31 décembre 2011</i> " of the 2011 Annual Accounts |
| - Profit and loss account | Section entitled " <i>Compte de résultat au 31 décembre 2011</i> " of the 2011 Annual Accounts |
| - Off Balance sheet | Section entitled " <i>Hors-bilan au 31 décembre 2011</i> " of the 2011 Annual Accounts |
| - Notes relating to the above | Section entitled " <i>Annexe aux comptes sociaux</i> " and " <i>Notes aux Etats Financiers</i> " of the 2011 Annual Accounts |
| - Auditor's report relating to the above | 2011 Auditors' Report |
| | 2010 Financial Statements |
| - Balance sheet | Section entitled " <i>Bilan au 31 décembre 2010</i> " of the 2010 Annual Accounts |
| - Profit and loss account | Section entitled " <i>Compte de résultat au 31 décembre 2010</i> " of the 2010 Annual Accounts |
| - Off Balance sheet | Section entitled " <i>Hors-bilan au 31 décembre 2010</i> " of the 2010 Annual Accounts |
| - Notes relating to the above | Section entitled " <i>Annexe aux comptes sociaux</i> " and " <i>Notes aux Etats Financiers</i> " of the 2010 |

| INFORMATION INCORPORATED BY REFERENCE (Annex IX of the European Regulation 809/2004/EC) | REFERENCE |
|---|-----------------------|
| | |
| | Annual Accounts |
| - Auditor's report relating to the above | 2010 Auditors' Report |

GENERAL DESCRIPTION OF THE PROGRAMME

This section highlight, and is subject to, information contained elsewhere in this Base Prospectus and is to be read as such. Defined terms used in this section have the meanings given to such terms in the section entitled "Terms and Conditions of the Notes" in this Base Prospectus.

I- THE PARTIES UNDER THE PROGRAMME

Issuer: SOCIÉTÉ GÉNÉRALE SCF is a *société anonyme à conseil d'administration* incorporated under French law and registered with the *Registre du Commerce et des Sociétés* of Nanterre under number 479 755 480, duly licensed in France as a credit institution (*établissement de crédit*) with the status of *société financière - société de crédit foncier* by the *Autorité de contrôle prudentiel*.

SOCIÉTÉ GÉNÉRALE SCF is governed *inter alia* by the provisions of the French Commercial Code (*Code de commerce*) applicable to commercial companies and by the provisions of the French Monetary and Financial Code. In relation to its capacity as a *société de crédit foncier*, the Issuer is governed by the provisions of *Livre V Titre 1 Chapitre V Section 4* of the French Monetary and Financial Code.

The Issuer's assets are composed of "public exposures" complying with the provisions of article L.515-15 of the French Monetary and Financial Code and, as the case may be, assets assimilated to those public exposures in the conditions set out in article L.515-16 of the French Monetary and Financial Code.

Arranger: Société Générale

Dealers: Société Générale has been appointed by the Issuer as dealer in respect of the whole Programme.

The Issuer may from time to time appoint additional dealers either in respect of one (1) or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to Société Générale and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to the Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

The Issuer may also terminate the appointment of any Dealer from time to time.

Fiscal Agent and Principal Paying Agent: Société Générale

Paying Agents: Société Générale (as Paris Paying Agent)
Société Générale Bank & Trust (as Luxembourg Paying Agent)

Calculation Agent: Société Générale, unless the Final Terms provide otherwise.

Specific Controller: Cailliau Dedouit et Associés (see the section entitled "Description of the Issuer – Control of the Issuer").

Rating Agencies Moody's Investors Service and Standard & Poor's Rating Services as credit rating agencies authorised to provide a rating document in respect of *sociétés de crédit foncier*. As of the date of this Base Prospectus, each of the Rating Agencies is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EC) No. 513/2011 (the **CRA**

Regulation). Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

II- THE PROGRAMME

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| Description: | Euro Medium Term Note Programme for the continuous offer of <i>obligations foncières</i> (the " Notes ") (as described herein); under the Programme, the Issuer may, from time to time, issue Notes the principal and interest of which benefit from the <i>privilège</i> created by article L.515-19 of the French Monetary and Financial Code (for further description see "Summary of the legislation and regulations relating to <i>sociétés de crédit foncier</i> "). |
| Programme Limit: | Up to € 15,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one (1) time. |
| Method of Issue: | <p>The Notes may be issued on a syndicated or non-syndicated basis.</p> <p>The Notes will be issued in Series. Each Series may be issued in Tranches on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder and supplemented, where necessary, with supplemental terms and conditions which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.</p> |
| Maturities: | Subject to compliance with all relevant laws, regulations and directives, the Notes may have any maturity as specified in the relevant Final Terms, subject to such minimum maturity as may be required by the applicable legal and/or regulatory requirements. |
| Currencies: | Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. dollars, Japanese yen, Swiss francs and in any other currency specified in the Final Terms. |
| Denomination(s): | <p>Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms, save that the minimum denomination of each Note admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time in relation to the relevant Specified Currency.</p> <p>Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and they have a denomination of at least £100,000 or its equivalent.</p> <p>Dematerialised Notes shall be issued in one denomination only.</p> |
| Status of Notes and <i>Privilège</i>: | The principal and interest of the Notes (and where applicable any Receipts and Coupons) will constitute direct, unconditional, unsubordinated and privileged obligations of the Issuer, all as described in "Terms and Conditions of the Notes - Status". The Notes are issued under articles L. 515-13 to L. 515-33 of the French Monetary and Financial Code. The Notes benefit from the <i>privilège</i> defined in article L.515-19 of the French Monetary and Financial Code. For further |

description, see the sections entitled "Terms and Conditions of the Notes - *Privilège*" and "Summary of the legislation and regulations relating to *sociétés de crédit foncier*".

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| Negative Pledge: | None. |
| Events of Default: | None. |
| Redemption Amount: | Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the basis for calculating the redemption amounts payable. |
| Optional Redemption: | The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and if so the terms applicable to such redemption. |
| Redemption by Instalments: | The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed. |
| Interest Periods and Interest Rates: | The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms. |
| Fixed Rate Notes: | Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Final Terms. |
| Floating Rate Notes: | <p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2007 FBF Master Agreement, as published by the <i>Fédération bancaire française</i>, or (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., or (iii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR, EONIA, LIBOR, CMS or TEC), or (iv) on such other basis or benchmark as may be specified in the applicable Final Terms, <p>in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.</p> |
| Zero Coupon Notes: | Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest. |
| Dual Currency Notes: | Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final |

Terms.

Index Linked Notes: Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.

Other Notes: Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Notes that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.

Redenomination: Notes issued in the currency of any Member State of the EU that participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1(d) - see "Terms and Conditions of the Notes – Redenomination".

Consolidation: Notes of one Series may be consolidated with Notes of another Series as more fully provided for in Condition 13 - see "Terms and Conditions of the Notes – Further Issues and Consolidation".

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

Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be issued in respect of any Dematerialised Notes. See Condition 1 - see "Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination".

Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

Clearing Systems: Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or, in any case, any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).

Initial Delivery of Dematerialised Notes: No later than one (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the *Lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

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

Issue Price: Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Listing and Admission to Trading: Application may be made for the Notes to be listed and admitted to trading on Euronext Paris and/or any other Regulated Market in accordance with the Prospectus Directive or on an alternative stock exchange or market, as specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of

Notes may be unlisted.

Rating:

Notes issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services and Aaa by Moody's Investors Service. The ratings to be assigned to the Notes by the Rating Agencies will only reflect the views of the Rating Agencies.

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

Each of the Rating Agencies is established in the European Union and is registered under CRA Regulation. Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

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.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgment of the Rating Agencies, circumstances so warrant.

Selling Restrictions:

There are restrictions on the offer and sale of Notes and on the distribution of offering material in various jurisdictions. The Notes shall not be offered to the public in France (see the section entitled "Subscription and Sale"). In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed on the relevant Final Terms.

The Notes have not been and will not be registered under the Securities Act, as amended, or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly 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. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) and any successor regulation issued under the Hiring Incentives to Restore Employment Act of 2010 (the **HIRE Act**) (the "**D Rules**") unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) and any successor regulation issued under the Hiring Incentives to Restore Employment Act of 2010 (the **HIRE Act**) (the "**C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

Dematerialised Notes do not require compliance with the TEFRA Rules.

The Permanent Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering or the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, a confirmation or other notice setting forth

the restrictions on offers and sales of the Notes within the United States or to, or for the account of benefit of, U.S. Persons.

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

Taxation:

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

If French law should require that such payments be subject to deduction or withholding, the Issuer will not be required to pay any additional amounts in respect of any such deduction or withholding.

For a description of the French withholding tax rules, see "Terms and Conditions of the Notes - Taxation" and "Taxation".

III- GENERAL INFORMATION

Method of publication of the Base Prospectus, any Supplement and Final Terms:

This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>).

For so long as any Note may be issued pursuant to this Base Prospectus, copies of such documents will also, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s).

Governing Law:

French law

PERSON RESPONSIBLE FOR THE BASE PROSPECTUS**In the name of the Issuer**

After having taken all reasonable measures in this regard, I hereby certify that the information contained or incorporated by reference in this Base Prospectus is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 25 May 2012

SOCIÉTÉ GÉNÉRALE SCF
17, Cours Valmy
92800 PUTEAUX
France

Duly represented by Stéphane Landon

in its capacity as Chief Executive Officer (*Directeur général*) of the Issuer

STATUTORY AUDITORS OF THE ISSUER

| Deloitte & Associés | Ernst & Young Audit |
|--|--|
| <p>185, avenue Charles de Gaulle</p> <p>92524 Neuilly-sur-Seine Cedex</p> <p>France</p> | <p>1/2, Place des Saisons</p> <p>92400 Courbevoie - Paris La Défense 1</p> <p>France</p> |
| Appointment date: 26 October 2007 | Appointment date: 26 October 2007 |
| <p>Appointement termination date:</p> <p>date of the General Shareholders Meeting approving the Annual Accounts as of 31 December 2015</p> | <p>Appointement termination date:</p> <p>date of the General Shareholders Meeting approving the Annual Accounts as of 31 December 2012</p> |

RISK FACTORS

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme. However, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Investors must be aware that the list of factors set out below is not intended to be exhaustive and that other risks and uncertainties which, on the date of this Base Prospectus, are not known of by the Issuer, or are considered not to be relevant, may have a significant impact on the Issuer, its activities, its financial condition and the Notes. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and form their own opinion about risk factors prior to making any investment decision. Investors should in particular conduct their own analysis and evaluation of the risks relating to the Issuer, its financial condition and the Notes.

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

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

I. RISK FACTORS RELATING TO THE ISSUER

Sole liability of the Issuer under the Notes

The Issuer is the only entity which has obligations to pay principal and interest in respect of the Notes. The Notes will not be obligations or responsibilities of any other entity, including (but not limited to) Société Générale (in any capacity but in particular in its capacity as Arranger, Calculation Agent, Permanent Dealer, Fiscal Agent, Paying Agent and Principal Paying Agent) or any company within the Société Générale group, or the shareholders or directors or agents of any company in the same group of companies as any of them.

Reliance of the Issuer on third parties

The Issuer has entered into agreements with a number of third parties, which have agreed to perform services for the Issuer (in particular for the monitoring and the servicing of the eligible assets transferred as collateral security, for the hedging of its obligations under the Notes and for the provision of liquidity upon occurrence of certain rating trigger events and pursuant to the liquidity facility agreement - for more details see the section entitled "Relationship between Société Générale SCF and Société Générale"). The ability of the Issuer to make payments under the Notes may be affected by the due performance of the other third parties involved in the Programme in relation to their payment and other obligations thereunder, including the performance by the Servicer, the Services Provider, the Calculation Agent, the Fiscal Agent, the Paying Agent or the Principal Paying Agent of their respective obligations.

Credit risk on bank counterparties

For the Issuer, bank counterparty risk is that of counterparties:

- (i) in relation to hedging operations in respect of which it has entered into ISDA or FBF (*Fédération bancaire française*) master agreements that meet rating agency standards for *sociétés de crédit foncier*; and
- (ii) in relation to the holding of the bank accounts of the Issuer.

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

Conflicts of interests in respect of Société Générale

With respect to the Notes, conflicts of interest may arise as a result of various factors involving in particular Société Générale, its affiliates and the other parties named herein. For example, such potential conflicts may

arise because Société Générale acts in several capacities under the operating of the Issuer and the Programme (see the section entitled "Relationship between Société Générale SCF and Société Générale").

Even if their respective rights and obligations under the Programme are not conflicting and are independent from one another, in performing any such obligations in these different capacities under the Programme, Société Générale and/or such affiliates may be in a situation of conflict of interests. Société Générale and/or such affiliates will only have the duties and responsibilities expressly agreed to by such entity in the relevant capacity and will not, by virtue of its or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a duty of care other than as expressly provided in respect of each such capacity.

II. RISK FACTORS RELATING TO THE ASSETS OF THE ISSUER

The Issuer's sole business activity is to grant or acquire exposures to, or guaranteed by, public sector entities (either directly or indirectly). Therefore, the Issuer is exposed, directly or indirectly, to the credit risk of such public sector entities.

Credit risk on assets is overseen by the Risk Direction department of Société Générale, which analyses risks (and consolidates analyses by foreign subsidiaries) applying group-wide methods. This unit produces an internal rating and sets a commitment ceiling.

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

Eligibility criteria

The assets of the Issuer must comply with the legal eligibility criteria provided for in articles L. 515-15 and L. 515-16 of the French Monetary and Financial Code, according to which the Issuer may:

- (i) only grant or acquire exposures to public sector entities mentioned in article L.515-13 of the French Monetary and Financial Code, which are assets such as loans, certain debt securities or off-balance-sheet exposures to the entities listed below or fully guaranteed by them:
 - Central governments, central banks, public institutions or local authorities located in a Member State of the European Community or within the European Economic Area, in the United States of America, Switzerland, Japan, Canada, Australia or New Zealand (collectively, the "**Eligible States**");
 - Central governments or central banks not located in an Eligible State, but who benefit from the highest level of credit quality (*meilleur échelon de qualité de crédit*) (established by a credit rating agency recognized by the French *Autorité de contrôle prudentiel*;
 - The European Community, the International Monetary Fund, the Bank for International Settlements, multilateral development banks (the list of which has been set by decree of the Minister of the Economy), other international organizations and multilateral development banks benefiting from the highest level of credit quality established by a credit rating agency recognized by the French *Autorité de contrôle prudentiel*;
 - Public institutions and local authorities not located in an Eligible State if financial exposure to such persons are subject, for the determination of capital adequacy, to the same requirements as those used for central governments, central banks or credit institutions, or fully guaranteed by such persons, and benefiting from the highest level of credit quality established by a credit rating agency recognized by the French *Autorité de contrôle prudentiel*; and
 - Public institutions and local authorities mentioned in the bullet point above benefiting from the second-highest level of credit quality (*second meilleur échelon de qualité de crédit*) established by a credit rating agency recognized by the French *Autorité de contrôle prudentiel*, provided that such exposures are limited to 20% of the total outstanding nominal amount of the *obligations foncières* and other sources of financing benefiting from the *privilège*.

Eligible assets of the public sector entities described above include, among other things:

- debt securities issued, or fully guaranteed, by one or more of the public sector entities mentioned above;
 - monetary claims, including those resulting from a successive performance contract, against the public sector entities referred to above, or fully guaranteed by one or more of such public sector entities;
 - debt stemming from leasing contracts or equivalent contracts to which a public sector entity referred to above is party in the capacity of lessee or tenant, or debt stemming from leasing contracts or equivalent contracts fully guaranteed by one or more of those public sector entities. *Sociétés de crédit foncier* that acquire debt resulting from a leasing contract may also acquire all or part of the debt that results from the sale of the leased property.
- (ii) only subscribe for senior units or senior notes issued by French *organismes de titrisation* or any other similar foreign entities governed by the laws of a Member State of the EC or EEA, the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, if the following provisions of article L.515-16 of the French Monetary and Financial Code are complied with:
- (a) the assets of such securitisation vehicles comprise at least 90%, subject to certain exclusions as set forth below, of receivables similar to exposures to public entities complying with the criteria defined in article L. 515-15 of the French Monetary and Financial Code or other receivables benefiting from the same level of guarantees as exposures referred to in article L. 515-15 of the French Monetary and Financial Code;
 - (b) such units or notes are not subordinated units or subordinated notes;
 - (c) such units or notes benefit from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the French *Autorité de contrôle prudentiel* pursuant to article L. 511-44 of the French Monetary and Financial Code; and
 - (d) within a limit of 10% of the nominal amount of the *obligations foncières* (i.e. the Notes) and other liabilities benefiting from the *privilège*, except (until 31 December 2013) if (i) loans composing the assets of the vehicle were transferred by an entity belonging to the same group of affiliated group of the Issuer and (ii) the subordinated notes or subordinated units of the vehicle are kept by such an entity (for further descriptions, see the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*").

The vast majority of these assets comes from the commercial financing activities of Société Générale group entities. Their eligibility to the assets of the Issuer is verified at two levels (reputable law firm and Specific Controller of the Issuer who reports to the French *Autorité de contrôle prudentiel* (See the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*") for both French and non-French assets.

In addition, according to articles L. 515-17 and R. 515-7 of the French Monetary and Financial Code, the Issuer may also hold securities, instruments and deposits which are sufficiently secure and liquid, as replacement assets (*valeurs de remplacement*) which comprise exposures on credit institutions or investment firms benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel* pursuant to article L. 511-44 of the French Monetary and Financial Code or guaranteed by credit institutions or investment firms benefiting of the same level of credit assessment (*échelon de qualité de crédit*), or, if such securities, instruments or deposits have a maturity of less than 100 days, exposures on or guaranteed by credit institutions or investment companies of a Member State of the European Union or the European Economic Area benefiting from the second highest level of credit quality (*second meilleur échelon de qualité de crédit*) as well as debt securities issued or fully guaranteed by public sector entities as referred to in paragraphs 1 to 5 of article L. 515-15 of the French Monetary and Financial Code.

The total amount of such replacement assets shall not exceed fifteen per cent (15%) of the nominal amount of the *obligations foncières* and other resources benefiting from the *privilège* as described in the section entitled

"Summary of the legislation and regulations relating to *sociétés de crédit foncier – Privilège* and non privileged debts".

Pursuant to article 13 of Regulation n°99-10 of 9 July 1999 of the *Comité de la réglementation bancaire et financière* relating to the *sociétés de crédit foncier* and to the *sociétés de financement de l'habitat* as amended on 26 June 2001, 15 July 2002, 7 May 2007 and 23 February 2011 (the "**CRBF Regulation**"), the Issuer must send to the French *Autorité de contrôle prudentiel* no later than on June 10 of each year information relating to the quality of its assets. This report is published within 45 days of a general meeting approving the Issuer's financial statements of the year then ended. In particular, the characteristics, details of the distribution of loans, exposures and guarantees, the total of any unpaid amounts, the distribution of debts by amount and by category of debtors, the proportion of early repayments, the liquidity needs of the Issuer for a 180 days period, and the level and sensitivity of the position of rates are required to be included as part of the latter report.

In addition, according to article L.515-17-2 of the French Monetary and Financial Code and article 13 bis of the CRBF Regulation, the Issuer must publish every quarter a report containing the same information relating to the quality of its assets. Such report is available for viewing on the website of the Issuer (www.investisseur.socgen.com).

Cover ratio between assets and privileged debts

According to articles L.515-20 and R. 515-7-2 of the French Monetary and Financial Code, *sociétés de crédit foncier* must at all times maintain a cover ratio of at least 102 per cent (102%) of the total amount of their liabilities which benefit from the *privilège* by the total amount of their assets, including the replacement assets. For the calculation of this cover ratio, when the assets comprise receivables secured by collateral assets pursuant to articles L.211-36 to L.211-40, L.313-23 to L.313-35 and L.313-42 to L.313-49 of the French Monetary and Financial Code, which are not replacement assets, the *sociétés de crédit foncier* must take into account the assets received as collateral rather than the secured receivables.

Calculation of this cover ratio is set out in the CRBF Regulation pursuant to which the ratio's denominator (Art. 8) is comprised of *obligations foncières* and other resources benefiting from the *privilège* and the ratio's numerator (Art. 9) is made up of all the assets weighted at the relevant percentage applicable to their category. In accordance with the French current legal framework applicable to *sociétés de crédit foncier*, in the case of the Issuer, since the loans are granted to, or guaranteed by, public sector entities, they are accounted for at their historical cost (100% weighting).

Pursuant to the CRBF Regulation, the Issuer must constantly comply with the conditions of the above cover ratio. The Specific Controller (as described in the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*") has access to information that allows confirmation of each issue's compliance with the cover ratio. This cover ratio is published twice a year and checked by the Specific Controller in connection with the quarterly issuance programme of the Issuer or in relation to its notes issues that are equal to or exceed Euro 500,000,000 (for more details on the cover ratio, see section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*").

III. RISK FACTORS RELATING TO THE COLLATERAL SECURITY

No interpretation by French courts of rules applicable to Collateral Security

The Collateral Security will be granted by Société Générale, and, as the case may be, enforced by the Issuer, in accordance with the provisions of articles L. 211-38-I *et seq.* of the French Monetary and Financial Code, being the applicable rules of French law implementing directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (the "**Directive**").

It should be noted that French courts have not yet had the opportunity to interpret articles L. 211-38-I *et seq.* of the French Monetary and Financial Code.

Impact of the hardening period on the Collateral Security

Article L. 211-40 of the French Monetary and Financial Code states that the provisions of book VI of the French Commercial Code (pertaining to insolvency proceedings as a matter of French law) shall not impede ("*ne font pas obstacle*") the application of articles L. 211-36 *et seq.* of the French Monetary and Financial Code. This

provision should lead to the conclusion that the rules pertaining to the nullity of acts concluded during the hardening period (*période suspecte*) (as provided for in articles L. 632-1 and L. 632-2 of the French Commercial Code) will not apply in respect of guarantees governed by article L. 211-38-I of the French Monetary and Financial Code.

The hardening period (*période suspecte*) is a period of time the duration of which is determined by the bankruptcy judge upon the judgement recognising that the cessation of payments (*cessation des paiements*) of the insolvent company has occurred. The hardening period commences on the date of such judgement and extends for up to eighteen (18) months previous to the date of such judgement.

Given the provisions of the Directive, it is reasonable to consider that article L. 211-40 of the French Monetary and Financial Code will exclude application of article L. 632-1-6° of French Commercial Code, which provides for an automatic nullity of security interest granted during the hardening period to secure past obligations of a debtor and, therefore, that the Collateral Security, which is governed by articles L. 211-38-I *et seq.* of the French Monetary and Financial Code, would not be avoided on the basis of said article L. 632-1-6° of French Commercial Code.

However, it cannot be excluded that article L. 211-40 of the French Monetary and Financial Code does not intend to overrule article L. 632-2 of the French Commercial Code, which provides for a potential nullity of acts which are onerous (*actes à titre onéreux*) if the counterparty of the debtor was aware, at the time of conclusion of such acts, that the debtor was unable to pay its debts due with its available funds (*en état de cessation des paiements*). Should article L. 632-2 of the French Commercial Code be deemed applicable, nullity of the Collateral Security could be sought, if the Issuer was aware, at the time where the Collateral Security was granted (or the subject of an addition or a substitution), that Société Générale was unable to pay its debt due with its available funds (*en état de cessation des paiements*); being specified that article L. 515-25 of the French Monetary and Financial Code provides that the provisions of article L. 632-2 of the French Commercial Code are not applicable to contracts entered into by or with *sociétés de crédit foncier*, or to legal transactions entered into by *sociétés de crédit foncier* or on their behalf, where such contracts or such transactions are directly related to the transactions referred to in article L. 515-13 of the French Monetary and Financial Code.

Disproportionate guarantee

Pursuant to article L. 650-1 of the French Commercial Code, a creditor may be held liable towards a bankrupt debtor if the credit granted by it to such debtor entailed a damage and the security interest securing such credit is disproportionate (*disproportionné*) compared to that credit. In such case, such security interest may be void or reduced by the judge.

Maintenance of value of the Collateral Security

Under the Collateral Security Agreements, Société Générale is required to ensure that at all times the value of the Collateral Security is at least equal to the aggregate amounts of advances made available by the Issuer to Société Générale (the "**Borrower**") under the Facility Agreement (including, in particular, any amount of interests and any other amounts due and payable on such date by the Borrower under the Facility Agreement).

Failure by Société Générale to maintain the value of the Collateral Security at the above-mentioned level may result in the Issuer having insufficient funds to meet its obligations under the Notes.

Debtors' ability to pay following enforcement of the Collateral Security

The debtors are public entities complying with the eligibility criteria provided for by article L. 515-15 of the French Monetary and Financial Code.

If following enforcement of the Collateral Security pursuant to the Collateral Security Agreements, the Issuer does not receive the full amount due from such debtors in respect of such public entities exposures, this may affect the ability of the Issuer to make payments under the Notes.

The Issuer may therefore be exposed to the occurrence of credit risk in relation to the debtors.

None of Société Générale under the Facility Agreement, the Issuer or any other party to the Programme does guarantee or warrant full and timely payment by the debtors of any sums payable under such public entities exposures.

IV. RISK FACTORS RELATING TO THE OPERATIONS OF THE ISSUER

Market risks

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

Interest and currency risks

According to article 12 of the CRBF Regulation, the Issuer shall dispose of a system for measuring overall interest rate risks under the conditions set forth in article 28 of the Regulation 97-02 notwithstanding the provisions of article 29 of the same Regulation. The level of rate and maturity matching between the assets and the liabilities of the Issuer shall be verified by the Specific Controller.

The Issuer shall use micro- and macro-interest rate swaps to hedge general interest rate and currency risks. The goal of the Issuer is to neutralise interest rate and currency risks as much as possible from an operating standpoint.

The hedging agreements will provide a hedge of any interest rate or currency risk arising from the mismatches between (i) the amounts of principal and interest payable by the Issuer under the Notes, and (ii) the currencies in which the assets are denominated and the interest rate conditions applicable, as the case may be, to such assets and in particular, the hedging agreements will ensure that the Issuer will have in place appropriate derivative transactions to hedge the currency and interest rate risks arising from such assets.

For this purpose, the Issuer will enter into interest and/or currency hedging agreements with hedging counterparties with sufficient ratings and which are commensurate with the then current rating of the Notes and on terms as per rating agencies' public methodologies and criteria to cover interest rate and/or currency risks arising from the mismatches between the payments received under the assets and the payments to be made under the Notes.

As of the date of this Base Prospectus, the Issuer has entered into a Notes Hedging Agreement (as described in section entitled "Relationship between Société Générale SCF and Société Générale") and, with respect to the public exposures transferred as collateral security under the Collateral Security Agreements, has undertaken to enter into two additional swap agreements as further described in section entitled "Relationship between Société Générale SCF and Société Générale".

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

Liquidity risk

In order to finance any temporary liquidity needs, the Issuer benefits from the ALM management tools and instruments provided to it by the laws and regulations applicable to *sociétés de crédit foncier* in order to fund temporary liquidity needs. According to article L.515-13 of the French Monetary and Financial Code, the Issuer may at any time sell or liquidate certain assets or raise new short-term or medium-term funds in order to comply with its payment obligations under the Notes and other resources whether or not they benefit from the *privilege* (depending on whether their agreement or document designed to inform the public (within the meaning of article L.412-1 of the French Monetary and Financial Code) or any equivalent document required for the admission to trading on foreign regulated markets, mentions the *privilege* or not).

See section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*" for the full list of these tools and instruments. Some of these tools and instruments allow the Issuer to temporarily use its assets as eligible collateral with the European Central Bank in accordance with the rules of the Eurosystem.

In any event, the Issuer is bound to ensure at any time adequate coverage of its liquidity needs for a 180 days period (see section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier* - Liquidity coverage"), by any of the following means:

- (i) with replacement assets (*valeurs de remplacement*) complying with the provisions of article R.515-7 of the French Monetary and Financial Code;
- (ii) with assets which are eligible for the credit operations of the Banque de France in accordance with the procedures and conditions set forth by the latter in the context of its monetary policy and intraday credit operations; and
- (iii) by refinancing agreements entered into with credit institutions with minimum ratings complying with the provisions of article R.515-7-1 of the French Monetary and Financial Code or guaranteed by other legal persons complying with such ratings. In this respect, Société Générale shall act as liquidity provider under a liquidity facility agreement and shall make available to the Issuer a liquidity facility for a maximum aggregate principal amount at any time not to exceed an amount equal to EUR 750,000,000 (see section entitled "Relationship between Société Générale SCF and Société Générale" for more details).

In any case, if the Issuer is not able to cover its liquidity needs with any of the tools and instruments described above, the Issuer would be allowed to subscribe for its own *obligations foncières*, within the limit of ten per cent (10%) of the total outstanding amount (*encours total*) of the resources benefiting from the *privilège* as at the date of their subscription, for the sole purpose of pledging them (*affecter en garantie*) as collateral security in order to secure the credit transactions (*opérations de crédit*) of the Banque de France in accordance with the provisions of article L.515-32-1 of the French Monetary and Financial Code (see "Summary of the legislation and regulations relating to *sociétés de crédit foncier*").

Operating risks involving information systems

The Issuer having no human resources, its technical administration has been subcontracted to its parent, Société Générale (see the section entitled "Relationship between Société Générale SCF and Société Générale"). The security of the Société Générale group's information systems is managed within Société Générale. A security policy has been defined, including directives and operating procedures broken down by risk sector: physical security, security of system access control, security of data bases and applications and security of continued operations.

V. RISK FACTORS RELATING TO THE NOTES

A. General risks related to the Notes

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

Independent review and advice

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Assessment of investment suitability

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

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

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

Potential Conflicts of Interest

The Issuer, the Dealers or their respective affiliates may from time to time advise the issuers or obligors in respect of reference assets regarding transactions to be entered into by them, or engage in transactions involving reference assets for their proprietary accounts and for other accounts under their management. Any such transaction may have a positive or negative effect on the value of such reference assets and therefore on the value of any Notes to which they relate. Accordingly, certain conflicts of interest may arise both among the Issuer, the Dealers or their affiliates and between the interests of the Issuer, the Dealers or their affiliates and the interests of holders of Notes.

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

Legality of Purchase

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Modification

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse*, as defined in Condition 10, and a General Meeting can be held. The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority. The General Meeting may deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 10.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

EU Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Directive made by a paying agent located within their jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payments elects otherwise and authorises the paying agent to disclose the above information. The rate of this withholding tax is currently 35% (see "Taxation").

If a payment were to be made or collected through a Member State which has opted for a withholding system and tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax.

The Issuer is required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

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

Change of law

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

French Insolvency Law

Except as otherwise provided by the relevant Final Terms, the Noteholders, in respect of all Tranches in any Series, will be grouped automatically for the defence of their common interests in a *Masse*, as defined in Condition 10. However, under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") if a safeguard procedure (*procédure de sauvegarde*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

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

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

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

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

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

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

No legal and tax advice

Each prospective investor should consult its own advisers as to legal, tax and related aspects of any investment in the Notes. A Noteholder's effective yield on the Notes may be diminished by the tax on that Noteholder of its investment in the Notes.

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

Withholding Taxes - No gross-up obligation

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

Implementation of Basel II and Basel III Risk-Weighted Asset Framework

In June 1999, the Basel Committee on Banking Supervision (the "**Basel Committee**") issued proposals for the reform of the 1988 Basel Capital Accord and proposed a new capital adequacy framework which would place enhanced emphasis on risk sensitivity and market discipline. On 26 June 2004, the Basel Committee published a new Capital Accord under the title "Basel II International Convergence of Capital Measurement and Capital Standards: a Revised Framework" ("**Basel II**"), an updated version of which was published in November 2005. Basel II was implemented under EU legislation by virtue of the directives no. 2006/48 of the European Parliament and of the Council relating to the taking up and pursuit of the business of credit institutions and no. 2006/49 on the capital adequacy of investment firms and credit institutions both dated 14 June 2006 as recently amended by the Directives 2009/27/EC, 2009/83/EC and 2009/111/EC (the "**Capital Requirements Directives**" as amended from time to time). In France, the provisions of the Capital Requirements Directives providing for a new solvency ratio were implemented in particular under the *arrêté* dated 20 February 2007 relating to the capital requirements applicable to the credit institutions and the investment firms (as amended) and the *ordonnance* no. 2007-571 dated 19 April 2007 relating to the credit institutions, the investment firms and *sociétés de crédit foncier*. Please note also that the *arrêté* dated 25 August 2010 transposing the Capital Requirements Directives, which has entered into effect on 31 December 2010, has amended the French prudential control requirements applicable to credit institutions and investment firms.

It also should be noted that on December 17, 2009, the Basel Committee has published for consultation a package of proposals for new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. On December 16, 2010 and January 13, 2011, the Basel Committee has approved significant changes to Basel II ("**Basel III**"), including new capital and liquidity standards for credit institutions. Those measures are expected to be implemented by relevant authorities starting from January 1, 2013 with full implementation on January 1, 2019, although certain supervisory authorities have already announced their intention to require an earlier application.

In particular, the changes introduced by Basel III refer to, amongst other things:

- a complete review of the capital standards;

- the introduction of a leverage ratio; and
- the introduction of short-term and longer-term standards for funding liquidity (referred to as the "Liquidity Coverage Ratio" and the "Net Stable Funding Ratio").

The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general. The European Commission implemented those changes in the proposed amendment to the Capital Requirements Directive published on July 21, 2011 (directive *CRD IV*) and in the regulations (the *Capital Requirement Regulation*). Once adopted, the new Capital Requirements Directive and regulation will be implemented under French law.

The implementation of Basel II and Basel III has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems. The implementation of Basel II and Basel III could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation of the Capital Requirements Directives. Accordingly, recipients of this Base Prospectus should consult their own advisers as to the consequences and effects the implementation of the Capital Requirements Directives could have on them.

United States Foreign Account Tax Compliance Act

The Hiring Incentives to Restore Employment Act, which was enacted in early 2010 and contains provisions from the former Foreign Account Tax Compliance Act of 2009 ("**FATCA**"), imposes a 30 percent withholding tax ("**FATCA Tax**") on certain payments to (i) certain non-U.S. financial institutions (potentially including entities such as the Issuer) who do not enter into and comply with an agreement with the IRS to provide certain information on the holders of its debt or equity (other than debt or equity interests that are regularly traded on an established securities market), and (ii) certain holders of debt or equity who fail to provide requested information permitting the non-U.S. financial institution to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" within the meaning of FATCA. The FATCA Tax is phased in over several years, with the tax applying to certain U.S. source payments starting as of January 1, 2014, and to certain other payments as of January 1, 2015 and January 1, 2017.

FATCA generally does not apply to instruments characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal income tax purposes that are issued and outstanding on or before January 1, 2013.

The relevant FATCA rules have not yet been fully developed and the future application of FATCA to the Issuer and the holders of Notes is uncertain. If the Issuer determines that it must comply with FATCA in order to receive certain payments free of the FATCA Tax, including entering into an agreement with the IRS, holders may be required to provide certain information or be subject to the FATCA Tax on certain payments made to them. If a holder does not provide the necessary information and is subject to withholding there will be no "gross up" (or any other additional amount) payable by way of compensation to the holder for the withheld amount. As a result, investors may, if FATCA is implemented as currently proposed by the US Internal Revenue Service, receive less interest or principal than expected.

The application of FATCA to a particular issue of Notes will be addressed in the relevant Final Terms.

FATCA is particularly complex and its application to the Issuer is uncertain at this time. The above description is based in part on proposed regulations and official guidance that is subject to change. Each holder of Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how this legislation might affect each holder in its particular circumstances.

Forecasts and estimates

Estimates of the weighted average lives of the Notes contained in this Base Prospectus, together with any other projections, forecasts and estimates in this Base Prospectus are forward-looking statements. Such projections are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be wholly correct or will vary from actual results. Consequently, the actual results might differ from the projections and such differences might be significant.

Ratings of the Notes

The ratings assigned to the Notes by the Rating Agencies are based, among other things, on the credit quality of the assets refinanced and the other relevant structural and credit enhancement features provided for under the Programme, including, among other things, the short-term and/or long-term unsecured, unguaranteed and unsubordinated debt ratings of the parties involved in the Programme, and reflect only the views of the Rating Agencies. The ratings address the likelihood of full and timely receipt by any of the relevant Noteholders of interest on the Notes and the likelihood of receipt by any relevant Noteholder of principal of the Notes by the relevant Maturity Date. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon both the value of the Notes or their marketability in secondary market transactions.

The Rating Agencies will be notified of the exercise of certain discretions exercised by or on behalf of the Issuer under the Programme documents. However, the Rating Agencies are under no obligation to revert to the Issuer (or any of its agents) regarding the impact of the exercise of such discretion on the ratings of the Notes and any decision as to whether or not to confirm, downgrade, withdraw or qualify the ratings of all classes or any class of Notes based on such notification may be made at the sole discretion of the Rating Agencies at any time, including after the relevant action has been taken.

Where, after the date of this Base Prospectus, a particular matter such as that referred to in the preceding paragraph or any other matter involves the Rating Agencies being requested to confirm to the Issuer (and to each Representative) (whether by email, letter or otherwise) (for so long as the Notes) are rated by the Rating Agencies) that such specified matter will not result in the reduction or withdrawal or other adverse action with respect to the then-current rating assigned to the Notes by the Rating Agencies (a "Rating Confirmation"), the Rating Agencies, at their sole discretion, may or may not give such affirmation. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that the Rating Agencies cannot provide the relevant affirmation in the time available or at all and it will not be held responsible for the consequences thereof. Any affirmation received from the Rating Agencies, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the Notes form part since the date of this Base Prospectus. Furthermore, in the event that a Rating Agency gives a Rating Confirmation, this will be on the basis of full and timely receipt by the relevant Noteholders of interest on the Notes and the likelihood of receipt of principal of the Notes by the relevant Maturity Date. There is no assurance that after any such affirmation, the then current ratings of the Notes will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by such Rating Agency for any of the reasons specified above in relation to the original ratings of the Notes. As such an affirmation of the ratings of the Notes by the Rating Agencies is not a representation or warranty that, as a result of a particular matter, the interest and principal due under the Notes will be paid or repaid in full and when due. Agencies other than the Rating Agencies could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value and the marketability of the Notes. For the avoidance of doubt and unless the context otherwise requires, any references to ratings or rating in this Base Prospectus are to ratings assigned by the Rating Agencies only.

B. Risks related to the structure of a particular issue of Notes

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

Notes subject to optional redemption by the Issuer

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

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor would not generally be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed, and may only be able to do so at a

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

Early Redemption

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

Fixed Rate Notes

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

Floating Rate Notes

The interest rate of Notes which bear interest at a floating rate is comprised of (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

Index Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to the Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of any change in the Relevant Factor on principal or interest payable is likely to be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

None of the Issuer, the Dealers or any of their respective affiliates makes any representation as to an index. Any such person may have acquired, or during the term of the Notes may acquire, non-public information with respect to an index that is or may be material in the context of Index Linked Notes. The issue of Index Linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).

The decision to purchase Index Linked Notes involves complex financial appreciations and risks as the index evolution cannot be foreseen with certainty. The yield of Index Linked Notes may be lower than the yield of non Index Linked Notes. The Issuer makes no representation as to the tax treatment of such Notes or as to the lawfulness of the purchase of such Notes in any jurisdiction.

Partly-Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing some or all of his investment.

Variable rate Notes with a multiplier or other leverage factor

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

Inverse Floating Rate Notes

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

Fixed to Floating Rate Notes

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

Notes issued at a substantial discount or premium

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

Zero Coupon Notes

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

Structured Notes

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Note.

C. Risk factors relating to Index Linked Notes

Where payments (whether in respect of principal and/or interest and whether at maturity or otherwise) on Index Linked Notes are calculated by reference to an index or a basket of indices, or a share or a basket of shares, the creditworthiness of any reference entity or reference obligation or a basket of reference entities or reference obligations, a commodity or a basket of commodities (each, a "**Reference Asset**"), the return of the Notes is based on changes in the value of the Reference Asset, which fluctuates. Changes in the value of the Reference Asset cannot be predicted. Although historical data with respect to the Reference Asset is available, the historical performance of the Reference Asset should not be taken as an indication of future performance.

Investors' yield may be lower than the yield on a standard debt security of comparable maturity

Unlike conventional fixed rate or floating rate debt securities, Index Linked Notes whose payments (whether in respect of principal and/or interest and whether at maturity or otherwise) are calculated by reference to an index, may not provide investors with periodic payments of interest. Further, with respect to the Final or Early Redemption Amount, the effective yield to maturity of the Notes may be less than that which would be payable on a conventional fixed rate or floating rate debt security. The return of only the Final or Early Redemption Amount of each Note at maturity may not compensate the holder for any opportunity cost implied by inflation and other factors relating to the value of money over time.

Adjustment or substitution - Early redemption of the Notes

The Issuer reserves the right to proceed to adjustments or substitutions, or even proceed to the early redemption of the Notes, in particular upon the occurrence of events affecting the underlying instrument(s). The early redemption of the Notes may result in the total or partial loss of the amount invested.

D. Risks related to the market generally

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

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of the reference assets or an index, including, but not limited to, the volatility of the reference assets or an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes, the reference assets or the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the reference assets, the securities taken up in the index, or the index are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

The secondary market generally

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

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Base Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to certain of the Notes which may be issued hereunder. Such lack of liquidity may

result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the Notes. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

Although applications have been made for the Notes issued under the Programme to be listed and admitted to trading on Euronext Paris, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop.

Exchange rate risks and exchange controls

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

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

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

SUMMARY OF THE LEGISLATION AND REGULATIONS RELATING TO *SOCIÉTÉS DE CRÉDIT FONCIER*

Legal framework

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

- Articles L.515-13 to L.515-33 of the French Monetary and Financial Code (as amended from time to time, lately by the law no. 2010-1249 of 22 October 2010);
- Articles R.515-2 to R.515-14 of the French Monetary and Financial Code;
- regulation no. 99-10 dated 9 July 1999 issued by the Banking and Financial Regulatory Committee (*Comité de la Réglementation Bancaire et Financière*) (the "CRBF") (as amended from time to time, lately by *arrêté* of 23 February 2011);
- various regulations (*instructions*) relating to *sociétés de crédit foncier* issued by the *Autorité de contrôle prudentiel*.

Entities entitled to issue *Obligations Foncières*

Sociétés de crédit foncier are credit institutions (*établissements de crédit*) licensed as financial company (*société financière*) and authorised to act as *sociétés de crédit foncier* by the *Autorité de contrôle prudentiel*.

The exclusive legal purpose of the *sociétés de crédit foncier* is to grant or finance guaranteed loans or public exposures and hold securities and instruments under the conditions set out in the French Monetary and Financial Code.

Eligible assets

In accordance with the French current legal framework applicable to *sociétés de crédit foncier* on the date hereof, the eligible assets to a *société de crédit foncier* may only be:

- (i) secured loans which, in accordance with article L. 515-14 of the French Monetary and Financial Code, include loans which are secured by a first-ranking mortgage over an eligible real estate or by other real estate security interests that are equivalent to a first-ranking mortgage or loans that are guaranteed by a credit institution or an insurance company that does not belong to the same group as the relevant *société de crédit foncier*. The property must be located in France or in any other Member State of the European Community ("EC") or European Economic Area ("EEA") or in a State benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) given by a rating agency recognised by the French *Autorité de contrôle prudentiel* as provided in article L.511-44 of the French Monetary and Financial Code;
- (ii) exposures to public entities which, in accordance with article L. 515-15 of the French Monetary and Financial Code, include, *inter alia*, exposures to public entities such as states, central banks, local authorities or state-owned entities located within the EEA, in a Member State of the EC, in the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, or if not located in those jurisdictions, such public entities must comply with specific limits and level of credit assessment given by a rating agency recognised by the French *Autorité de contrôle prudentiel* as provided in article L.511-44 of the French Monetary and Financial Code;
- (iii) units or notes (other than subordinated units or subordinated notes) issued by French *organismes de titrisation*, which are French securitisation vehicles, or other similar vehicles governed by the laws of a Member State of the EC or EEA, the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, the assets of which shall comprise at least 90%, subject to certain exclusions as set forth below, of receivables similar to secured loans or exposures to public entities complying with the criteria defined in articles L. 515-14 and L. 515-15 of the French Monetary and Financial Code or other assets benefiting from the same level of guarantees as loans and exposures referred to in article L. 515-15 of the French Monetary and Financial Code; such units or notes must

benefit from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the French *Autorité de contrôle prudentiel* pursuant to article L. 511-44 of the French Monetary and Financial Code; and are only eligible within a limit of 10% of the nominal amount of the *obligations foncières* (i.e. the Notes) and other liabilities benefiting from the *privilège*, except (until 31 December 2013) if (i) loans composing the assets of the vehicle were transferred by an entity belonging to the same group of affiliated group of the Issuer and (ii) the subordinated notes or subordinated units of the vehicle are kept by such an entity; and

- (iv) mortgage promissory note (*billets à ordre hypothécaires*) governed by articles L.313-42 *et seq.* of the French Monetary and Financial Code, under the limits set out in article L.515-16-1 of the French Monetary and Financial Code.

With respect to the Issuer however, given its business activity, the sole eligible assets of the Issuer are:

- the exposures to public entities referred to in paragraph (ii) above; and
- the securities that are "assimilated to" such exposures to public entities, in accordance with the paragraph (iii) above where those securities are backed by public exposures complying with the criteria defined in article L. 515-15 of the French Monetary and Financial Code or other receivables benefiting from the same level of guarantees.

Like any *société de crédit foncier*, the Issuer is not allowed to make any other investments, except investments in assets which are sufficiently secure and liquid to be held as so-called replacement values (*valeurs de remplacement*), as defined in article R.515-7 of the French Monetary and Financial Code.

See also the section entitled "Description of the Issuer – Issuer's exclusive purpose and business overview".

Privilège and non privileged debts

The *obligations foncières* issued by *sociétés de crédit foncier*, together with the other resources raised pursuant to an agreement or a document designed to inform the public (within the meaning of article L. 412-1 of the French Monetary and Financial Code) or any equivalent document required for the admission to trading on foreign regulated markets which mentions the *privilège*, and the liabilities resulting from derivative transactions relating to the hedging of *obligations foncières* and other privileged debts in accordance with article L.515-18 of the French Monetary and Financial Code benefit from the statutory *privilège* set out under article L.515-19 of the French Monetary and Financial Code.

Pursuant to article L.515-19 of the French Monetary and Financial Code, notwithstanding any legal provisions to the contrary and in particular the provisions included in the French Commercial Code relating to the prevention and conciliation of business difficulties, to the safeguard and to the judicial administration and liquidation of companies:

- (i) the sums resulting from the loans, assimilated assets, exposures and securities as referred to in articles L.515-14 to L.515-17 of the French Monetary and Financial Code and from the financial instruments used for hedging as referred to in article L.515-18 of the French Monetary and Financial Code, (in each case after any applicable set-off), together with the claims in respect of deposits made by a *société de crédit foncier* (i.e. the issuer of *obligations foncières*, such as the Issuer) with credit institutions, are allocated in priority to the payment of any sums due in relation to the *obligations foncières* such as the Notes, to other resources benefiting from the *privilège* as mentioned in paragraph 2 of I of article L.515-13 of the French Monetary and Financial Code, to derivative transaction used for hedging, under the condition of article L.515-18 of the French Monetary and Financial Code and to other ancillary expenses and sums expressly referred to in article L.515-19 of the French Monetary and Financial Code;
- (ii) when a *société de crédit foncier* such as the Issuer is subject to safeguard, judicial or liquidation proceedings (*procédure de sauvegarde, de redressement ou de liquidation judiciaires*) or to conciliation proceedings with its creditors (*procédure de conciliation*), the amounts due regularly from the operations referred to in paragraph 2 of I of article L.515-13 of the French Monetary and Financial Code are paid on their contractual due date, and in priority to all other debts, whether or not preferred or secured, including interest resulting from agreements whatever their duration. No other

creditor of a *société de crédit foncier* such as the Issuer may exercise any right over the assets and rights of such *société* until all creditors benefiting from the *privilège* as defined in article L.515-19 of the French Monetary and Financial Code have been fully paid off; and

- (iii) the judicial liquidation of a *société de crédit foncier* such as the Issuer, will not result in the acceleration of payment of *obligations foncières* such as the Notes and other debts benefiting from the *privilège*.

Sociétés de crédit foncier may also issue ordinary bonds or raise funds which do not benefit from such *privilège*.

The Issuer may also refinance its assets in accordance with specific means of refinancing set forth by article L.515-13 of the French Monetary and Financial Code, such as pledge or transfer all or part of the receivables held in accordance with articles L.211-36 *et seq.* or articles L.313-23 *et seq.* of the French Monetary and Financial Code or temporary transfers of its securities as provided for in articles L.211-22 to L.211-34 of the French Monetary and Financial Code or having recourse to a pledge of a securities account as defined in article L. 211-20 of the French Monetary and Financial Code. In such case, the receivables and securities so used are not included in the scope of the *privilège* and are not taken into account for the purpose of determining the cover ratio of the resources benefiting from the *privilège*.

Cover ratio

Sociétés de crédit foncier must at all times maintain a cover ratio between their assets and their liabilities benefiting from the *privilège*. Pursuant to articles L.515-20 and R. 515-7-2 of the French Monetary and Financial Code, *sociétés de crédit foncier* must at all times maintain a ratio of at least 102 per cent. between their assets and the total amount of their liabilities which benefit from the *privilège* by the total amount of their assets, including the replacement assets. For the calculation of this cover ratio, when the assets comprise receivables secured by collateral assets pursuant to articles L.211-36 to L.211-40, L.313-23 to L.313-35 and L.313-42 to L.313-49 of the French Monetary and Financial Code, which are not replacement assets, *sociétés de crédit foncier* must take into account the assets received as collateral rather than the secured receivables.

Sociétés de crédit foncier submit their cover ratio to the French *Autorité de contrôle prudentiel* on 30 June and 31 December of each year.

In addition, *sociétés de crédit foncier* must appoint a specific controller (*contrôleur spécifique*) with the approval of the French *Autorité de contrôle prudentiel* whose task is to ensure that the cover ratio is at all times complied with. In particular, the specific controller must certify that the cover ratio is satisfied in connection with (i) the *société de crédit foncier*'s quarterly programme of issues benefiting from the *privilège* and (ii) any specific issue also benefiting from the *privilège* whose amount is equal or greater than Euro 500 million. The specific controller must verify the maintenance of the cover ratio, quality of the assets, the process of yearly revaluation and the level of matching of interests rates and maturities between assets and liabilities. The specific controller (as described in the section entitled "Description of the Issuer") has access to information that allows it to carry out its legal control duties. This cover ratio is published twice a year.

Liquidity coverage

Pursuant to article R. 515-7-1 of the French Monetary and Financial Code, *sociétés de crédit foncier* must ensure at any time adequate coverage of their liquidity needs for a 180 days period, taking into account expected flows in principal and interests under their assets and net flows relating to forward financial instruments set forth in article L. 515-18 of the French Monetary and Financial Code. The needs in cash are covered with replacement assets (*valeurs de remplacement*) complying with the provisions of article R.515-7 of the French Monetary and Financial Code, assets which are eligible for the credit operations of the *Banque de France* in accordance with the procedures and conditions set forth by the latter in the context of its monetary policy and intraday credit operations, and by refinancing agreements entered into with credit institutions benefiting from the highest level of short term credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel* pursuant to article L. 511-44 of the French Monetary and Financial Code or guaranteed by other corporates benefiting from the same level of credit assessment (*échelon de qualité de crédit*).

In the case where the assets of the *société de crédit foncier* are composed of receivables guaranteed by collateral assets in accordance with articles L. 211-36 to L. 211-40, L. 313-23 to L. 313-35, and L. 313-42 à L. 313-49 of

the French Monetary and Financial Code, if these assets are not replacement assets (*valeurs de remplacement*), the liquidity needs are evaluated by considering the assets transferred as collateral security (and not the receivables).

In accordance with, and pursuant to, the provisions of article L. 515-32-1 of the French Monetary and Financial Code, a *société de crédit foncier* may also, by derogation to the provisions of articles 1300 of the French Code civil (*Code civil*) and L. 228-44 to L. 228-74 of the French Commercial Code, subscribe for its own *obligations foncières*, for the sole purpose of pledging them as collateral security (*affecter en garantie*) in order to secure the credit transactions (*opérations de crédit*) of the Banque de France in accordance with the terms and conditions determined by the Banque de France for its monetary and intraday credit policy, if the *société de crédit foncier* is not able to cover its cash needs with the other means available to it, provided that:

- (a) the total amount of the *obligations foncières* subscribed by the Issuer does not exceed ten per cent. (10%) of the total outstanding amount (*encours total*) of the resources benefiting from the *privilège* as at the date of their subscription;
- (b) such *obligations foncières* are disentitled of their rights under articles L. 228-46 to L. 228-89 of the French Commercial Code as long as the *société de crédit foncier* holds them;
- (c) such *obligations foncières* are pledged for the benefit of the Banque de France within an 8-day period starting from the date on which they are paid and delivered (otherwise, such Notes shall be cancelled by the *société de crédit foncier* at the end of such 8-day period); and
- (d) they can not be subscribed by third parties.

In any case, the *obligations foncières* subscribed by the *société de crédit foncier* in accordance with, and pursuant to, the provisions of article L. 515-32-1 of the French Monetary and Financial Code, shall be cancelled within an 8-day period starting from the date on which they cease to be pledged for the benefit of the Banque de France.

Hedging

The Issuer may enter into forward financial instruments to hedge its interests and currency on the exposures set out in articles L.515-15 to L.515-17 of the French Monetary and Financial Code, on the *obligations foncières* and other resources benefiting from the *privilège*. Any amounts payable by the Issuer pursuant to these forward financial instruments, after the applicable set-off as the case may be, benefit from the *privilège* of article L.515-19 of the French Monetary and Financial Code, unless such forward financial instruments were not concluded by the Issuer to hedge items of its assets and/or privileged liabilities or the global risk on its assets, liabilities and off-balance sheet items in accordance with article L. 515-18 of the French Monetary and Financial Code.

Insolvency derogating regime

Article L.515-27 of the French Monetary and Financial Code precludes the extension of any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) in respect of the *société de crédit foncier*'s shareholders to the *société de crédit foncier*.

The French Monetary and Financial Code provides for a regime which derogates in many ways from the French legal provisions relating to insolvency proceedings. In particular, in the event of safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) of a *société de crédit foncier*, all claims benefiting from the *privilège*, including interest thereon, whatever their duration, must be paid on their due dates and in preference to all other claims, whether or not secured or statutorily preferred and, until payment in full of all such preferred claims, no other creditors may take any action against the assets of the *société de crédit foncier*.

In addition, certain nullity of transactions entered into during the hardening period (*période suspecte*) are not applicable for transactions or acts entered into by a *société de crédit foncier* provided that such transactions and acts are made in accordance with their exclusive legal purpose and without fraud. Pursuant to article L. 515-28 of the French Monetary and Financial Code, in case of the opening of any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) against the credit institution which is acting as manager and servicer of the assets and liabilities of the *société de crédit*

foncier, the recovery, management and servicing contracts may be immediately terminated by the *société de crédit foncier* notwithstanding any legal provisions to the contrary.

Specific Controller

In each *société de crédit foncier*, a specific controller (*contrôleur spécifique*) (the "**Specific Controller**") and a substitute Specific Controller (*contrôleur spécifique suppléant*) are in charge of ensuring the compliance of the *société de crédit foncier* with the legal framework described above. The Specific Controller and the substitute Specific Controller are selected from the official list of auditors and appointed by the officers of the *société de crédit foncier* with the approval of the *Autorité de contrôle prudentiel*.

Pursuant to article L. 515-30 of the French Monetary and Financial Code, the tasks of the Specific Controller are:

- (a) to ensure that the *société de crédit foncier* complies with articles L. 515-13 *et seq.* of the French Monetary and Financial Code;
- (b) to certify that the cover ratio is satisfied in connection with (i) the *société de crédit foncier*'s quarterly programme of issues benefiting from the *privilège* and (ii) any issue of resources benefiting from the *privilège* and whose amount is greater than Euro 500 million;
- (c) to ensure that the exposures to public entities granted or refinanced by the Issuer comply with the purpose of article L. 515-13 of the French Monetary and Financial Code and with the requirements set out in articles L. 515-15 of the French Monetary and Financial Code;
- (d) to review, pursuant to article 12 of the CRBF Regulation, the level of rate and maturity matching between the assets and the liabilities. In case the Specific Controller believes that the level of rate and maturity matching would create excessive risks for the creditors benefiting from the *privilège*, the Specific Controller informs the officers of the relevant *société de crédit foncier* and the *Autorité de contrôle prudentiel*.

The Specific Controller attends all shareholders' meetings and, on his request, may be heard by the board of directors of the *société de crédit foncier* (article L. 515-30 of the French Monetary and Financial Code).

The Specific Controller is entitled to receive all the documents and information necessary to the fulfillment of its mission and to perform, under certain conditions, any audit and control in the premises of the *société de crédit foncier*. The Specific Controller prepares annual reports on the accomplishment of his missions to the management of the *société de crédit foncier*, a copy of which is delivered to the *Autorité de contrôle prudentiel*.

DESCRIPTION OF THE ISSUER

Incorporation, duration and registered office

The Issuer is a credit institution (*établissement de crédit*), licensed as a financial company (*société financière*) with the status of *société de crédit foncier*, incorporated under French law on 8 December 2004 for a period of 99 years as a *société anonyme à conseil d'administration*. The Issuer is registered under the name of Société Générale SCF in the Commercial and Companies Registry (*Registre du Commerce et des Sociétés*) of Nanterre under number 479 755 480. The Issuer's office is at 17, Cours Valmy, 92800 Puteaux, France, its telephone number: +33 1 42 14 70 63. On 20 December 2007, the Issuer was authorised to act as a *société de crédit foncier* by the Credit Institutions and Investment Services Companies Commission (*Comité des établissements de crédit et des entreprises d'investissement*) (now the *Autorité de contrôle prudentiel*).

The Issuer is governed, *inter alia*, by the French Commercial Code and by the French Monetary and Financial Code. In relation to its capacity as a *société de crédit foncier*, the Issuer is governed by the provisions of Livre V Title 1 Chapter V Section 4 (see the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*").

The Issuer is a member of the Société Générale group.

Share capital

The Issuer's share capital as at 31 December 2011 amounted to EUR 150,000,000 divided into 15,000,000 fully paid-up ordinary shares of EUR 10. At the date of the Base Prospectus, 100 per cent of this share capital is owned by Société Générale.

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

On 16 October 2007, Société Générale formalised a declaration of financial support for its subsidiary Société Générale SCF. The text of the declaration of financial support is translated (for information purposes only) as follows:

"Paris, 16 October 2007

Within the scope of its financing policies, Société Générale has created a société de crédit foncier (Société Générale SCF), governed by legal and regulatory provisions of the French monetary and financial Code (articles L. 515-13 and seq.).

Société Générale will hold more than 95% of the capital of Société Générale SCF on a long term basis.

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

Société Générale

Daniel Bouton, Chairman and Chief Executive Officer (Président Directeur Général)"

Original text in French:

"Paris, le 16 octobre 2007

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

Société Générale détiendra durablement plus de 95 % du capital de Société Générale SCF.

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

Société Générale

Daniel Bouton, Président Directeur Général"

Issuer's exclusive purpose and business overview

In accordance with article L.515-13 of the French Monetary and Financial Code which defines the exclusive purpose of the *sociétés de crédit foncier* and with article 2 of its by-laws, the Issuer's exclusive purpose consists in carrying out the activities and operations below, whether in France or abroad:

- (i) credit operations and assimilated operations within the terms set forth by regulations applicable to *sociétés de crédit foncier* and within the limits of its license;
- (ii) financing operations within the terms set forth by regulations applicable to *sociétés de crédit foncier* by means of issuance of *obligations foncières* or any other resources in accordance with the regulations applicable to *sociétés de crédit foncier*; and
- (iii) any ancillary activities expressly authorized by the texts on *sociétés de crédit foncier* for the achievement of its exclusive corporate purpose.

For a description of the legal framework applicable to *sociétés de crédit foncier*, see the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*".

The Issuer may sign all necessary agreements with credit institutions to procure services for the management and recovery of its loans, exposures and other eligible financial assets, *obligations foncières* and other resources.

The establishment of the Issuer takes place as part of the Société Générale refinancing and is intended to lower the overall cost of funding for the Société Générale group by mobilising eligible assets at a competitive cost. The Issuer's assets are limited to (i) public exposures complying with the provisions of article L.515-15 of the French Monetary and Financial Code and (ii) assets assimilated to those public exposures, as defined in article L.515-16 of the French Monetary and Financial Code.

The *obligations foncières* which will be issued by the Issuer are expected to be rated AAA by Standard and Poor's and Aaa by Moody's Investors Service and listed on the Luxembourg and/or Paris stock exchanges.

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

Pursuant to articles L.515-20 and R.515-7-2 of the French Monetary and Financial Code, the total amount of the assets of the Issuer must cover the amount of the liabilities benefiting from the *privilège* up to at least 102%, as further described in the section entitled "Summary of the legislation and regulations relating to *sociétés de crédit foncier*".

Subsidiaries

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

Management of the Issuer

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

The Issuer's board of directors, which at the date of this Base Prospectus comprises 10 members, including Société Générale, has full powers to act in all circumstances on behalf of the Issuer within the limits set by its

internal rules and the *Statuts* of the Issuer and subject to the powers expressly conferred by the French Commercial Code on shareholders in general meetings.

The Chairman of the Board, who is also head of the capital, balance sheet and regulation financial division of Société Générale group, organises and directs the work of the board of directors, of which he shall give an account to the shareholders' meeting, ensures that the governing bodies of the Issuer operate properly, and that the directors are able to perform their duties.

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

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

| Names | Business Address | Function | Principal activities performed outside the Issuer |
|--|------------------------------------|---|--|
| Stéphane Landon | 17, cours Valmy - 92800 Puteaux | Chairman of the Board and Chief Executive Officer | Head of Group Treasury and ALM of of Société Générale group |
| Pierre Menet | 17, cours Valmy - 92800 Puteaux | Deputy Chief Executive Officer and Director | Managing Director Head of Structured Capital Finance of Société Générale Corporate & Investment Banking |
| Vincent Robillard | 17, cours Valmy - 92800 Puteaux | Deputy Chief Executive Officer and Director | Head of Funding of Société Générale group |
| Danielle Sindzingre | 17, cours Valmy - 92800 Puteaux | Director | Head of the Treasury of Fixed Income, Currencies and Commodities division of Société Générale Corporate & Investment Banking |
| Véronique De la Bachelerie | 17, cours Valmy - 92800 Puteaux | Director | Chief Financial Officer of the retail bank of Société Générale in France |
| Gérard Gardella | 17, cours Valmy - 92800 Puteaux | Director | Legal Officer of Société Générale group |
| François Froment-Meurice | 17, cours Valmy - 92800 Puteaux | Director | Avocat |
| Marie Doucet | 17, cours Valmy - 92800 Puteaux | Director | Chief Accounting Officer of Societe Generale Group |
| Pierre Beuzen | 17, cours Valmy - 92800 Puteaux | Director | Financial Engineer- Société Générale Corporate & Investment Banking |
| Société Générale Legal representative: Arnaud Jacquemin | 17, cours Valmy - 92800 Puteaux | Director | Parent Company Deputy Chief Financial Officer of Société Générale Group |

Control of the Issuer

The Issuer has appointed two Statutory Auditors (*Commissaires aux comptes*) and two Deputy Statutory Auditors (*Commissaires aux comptes suppléants*) in compliance with applicable laws and regulations.

Furthermore, the Issuer has appointed, in accordance with articles L.515-30 to L.515-31 of the French Monetary and Financial Code a Specific Controller (*Contrôleur Spécifique*), and a substitute Specific Controller (*Contrôleur Spécifique suppléant*), who are selected from the official list of auditors and are appointed by the board of directors of the Issuer with the approval of the French *Autorité de contrôle prudentiel*.

The Specific Controller ensures that the Issuer complies with the French Monetary and Financial Code (in particular, verifying the eligibility of the assets and the cover ratios). He also monitors the balance between the Issuer's assets and liabilities in terms of rates and maturity (cash flow adequacy) and notifies the board of directors of the Issuer and the French *Autorité de contrôle prudentiel* if he considers such balance to be unsatisfactory. The Specific Controller attends all shareholders' meetings and, on his request, may be heard by the board of directors (article L.515-30 of the French Monetary and Financial Code).

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

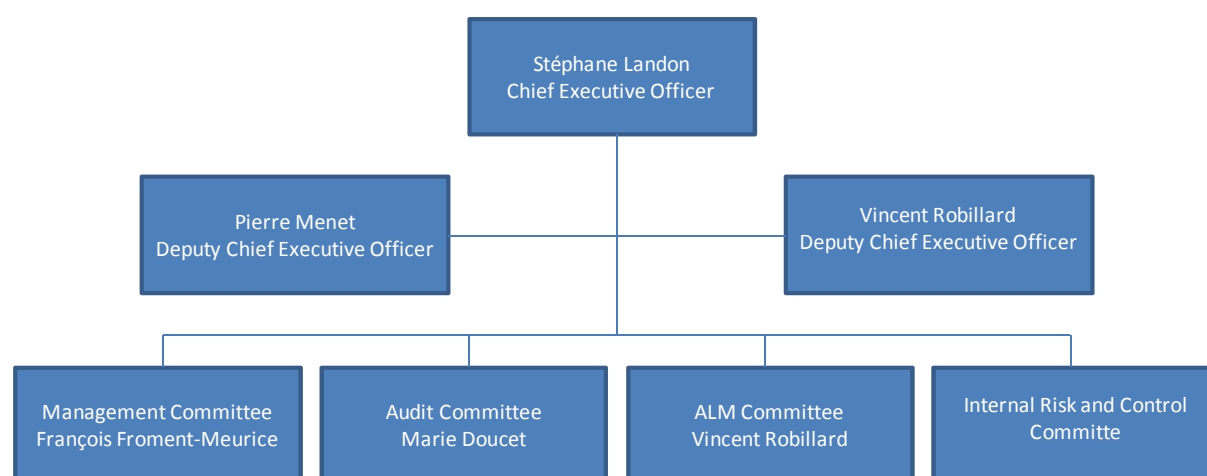
Under Regulation n° 97-02 of the *Comité de la réglementation bancaire et financière* (French Banking and Financial Regulation Committee), the board of directors of the Issuer set up an Audit Committee. The Audit Committee is responsible more particularly, under the supervision of the board of directors, for (i) reviewing the accounts of the Issuer before their presentation to the board of directors, (ii) ensuring the relevance and permanence of the accounting methods used to prepare the individual accounts, and (iii) advising on the organisation of the internal audit.

At the date of the Base Prospectus a Management Committee has been established by the Issuer. The Management Committee checks the adequacy between source and use of the Issuer, ascertains the relevance of the business plan of the Issuer and ensures that the assets acquisition policy of Société Générale SCF performs well.

At the date of the Base Prospectus the Issuer has founded an ALM Committee as well. The ALM Committee examines the ALM policy of the Issuer, ensures that checks and procedures relating to the Issuer's ALM are effective and attends to the effective application of principles in force within Société Générale with respect to risk management in connection with the conclusion of forward financial instruments to protect the Issuer totally from rate and currency risks.

The internal control framework has been strengthened through a newly established Internal Risk and Control Committee which meets in order to address to the Executive Officers (members of the Committee), a consolidated view on the situation of the Issuer in terms of risks and internal control allowing them to take appropriate decisions and action plans.

The management of the Issuer can thus be summarised by the following chart:



Staff

The Issuer has no human resources. Its technical administration has been subcontracted to its parent, Société Générale, which acts in accordance with the instructions of the Issuer's board of directors.

Compliance with the corporate governance regulations

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

Membership of professional organisation

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

RECENT DEVELOPMENTS

By a decision of the Board of Directors dated 7 December 2011, the internal control framework has been strengthened through a newly established Internal Risk and Control Committee which meets in order to address to the Executive Officers (members of the Committee), a consolidated view on the situation of the Issuer in terms of risks and internal control allowing them to take appropriate decisions and action plans.

By a decision of the Board of Directors dated 22 September 2011, Mrs Marie Doucet has replaced Mr Frédéric Mouttet as Director and President of the Audit Committee.

FINANCIAL INFORMATION OF THE ISSUER

Historical financial information concerning the Issuer

Historical financial information concerning the Issuer is contained in the documents incorporated in this Base Prospectus by reference (see the section entitled “Documents incorporated by reference”).

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for financing:

- (a) the granting of advances under the Facility Agreement; and
- (b) from time to time, the creation or acquisition of the other assets of the Issuer, in accordance with its by-laws (*statuts*) and article L.515-13 of the French Monetary and Financial Code.

See the sections entitled “Description of the Issuer – Issuer’s exclusive purpose and business overview” and “Summary of the legislation and regulations relating to *sociétés de credit foncier*”.

MATERIAL CONTRACTS

Please refer to section "Relationship between Société Générale SCF and Société Générale" below.

RELATIONSHIP BETWEEN SOCIÉTÉ GÉNÉRALE SCF AND SOCIÉTÉ GÉNÉRALE

Société Générale SCF entered into the following contracts:

- a management contract, pursuant to which Société Générale shall carry out, in accordance with article L. 515-22 of the French Monetary and Financial Code, the administration and recovery of the assets of Société Générale SCF (in particular those which would be purchased by Société Générale SCF from subsidiaries of Société Générale);
- an outsourcing contract, pursuant to which Société Générale shall fulfil regulatory obligations of permanent supervision, periodic supervision and compliance supervision on behalf of Société Générale SCF;
- an assistance contract, pursuant to which Société Générale shall provide Société Générale SCF with certain services required by the operations of Société Générale SCF, in particular for financial (financial management) and legal purposes. For these purposes, Société Générale shall involve its subsidiary SOGEFILIA, so as to provide the services required by the corporate existence of Société Générale SCF;
- a liquidity facility agreement (the "**Liquidity Facility Agreement**"), pursuant to which Société Générale, acting as liquidity provider, shall make available to the Issuer a liquidity facility for a maximum aggregate principal amount at any time not to exceed an amount equal to EUR 750,000,000; upon the downgrading of Société Générale, as liquidity provider, below the minimum required ratings determined in accordance with the rating agencies public methodologies and criteria, Société Générale will be required to make arrangements at its costs for (i) its replacement on substantially the same terms by a liquidity facility provider which satisfies the required level of ratings, (ii) finding a third party with the required level of ratings to provide an unlimited and unconditional guarantee of its obligations or (iii) if neither a qualified replacement liquidity provider nor a qualified guarantor is found, making available a cash amount for an amount equal to its commitment;
- a facility agreement (the "**Facility Agreement**") pursuant to which the Issuer shall make available from time to time to Société Générale advances, within the limit of its commitment maximum amount;
- one or several collateral security agreements (the "**Collateral Security Agreements**") pursuant to which Société Générale shall, as security to its financial obligations towards the Issuer under the Facility Agreement:
 - (a) grant as collateral by way of transfers as security (*cession ou remise en pleine propriété à titre de garantie*) or pledge (*nantissements de créances*) in accordance with articles L.211-38 *et seq.* and/or L.313-23 *et seq.* of the French Monetary and Financial Code, certain eligible public entities receivables complying with the eligibility criteria provided for by article L.515-15 of the French Monetary and Financial Code (the "**Collateral Security**"); and
 - (b) transfer to the Issuer pursuant to articles L.211-38 *et seq.* of the French Monetary and Financial Code, within ten (10) Business Days from the occurrence of a downgrading of Société Générale below the minimum required in accordance with the rating agencies public methodologies and criteria, an amount equal to the collections scheduled to be received by Société Générale under the Collateral Security during the following two (2) calendar months as cash collateral (*gage-espèces*) for collection loss reserve (the "**Collection Loss Reserve**");
- in order to hedge any interest rate or currency risk arising from the mismatches between the terms and conditions of the Notes, the Advances and the Collateral Security Assets, three sets of hedging agreements (the "**Hedging Agreements**"), and related Hedging Transactions, which altogether constitute the hedging strategy of this Programme (the "**Hedging Strategy**"), as follows:

- (a) the first set of Hedging Agreements is entered into by the Issuer with Eligible Hedging Provider(s) in order to hedge any currency and/or interest rate risk borne by the Issuer in connection with any Series of Notes as of the Interest Commencement Date or any further Issue Date (the "**Notes Hedging Agreement(s)**", and the related transactions the "**Notes Hedging Transactions**");
- (b) a Notes Hedging Agreement has been entered into between, the Issuer and Société Générale as Eligible Provider and a Notes Hedging Transaction (an interest swap transaction) governed thereby has been entered into in connection with the Series 1 of Notes;
- (c) the second set of Hedging Agreements is to be entered by the Issuer with Eligible Hedging Provider(s) upon the occurrence of a downgrading of the Borrower below the minimum required in accordance with the rating agencies public methodologies and criteria. It aims at hedging any currency and/or interest rate risk borne by the Issuer in respect of the Collateral Security Assets (the "**Issuer Pool Hedging Agreement(s)**", together with the Notes Hedging Agreement(s), the "**Issuer Hedging Agreement**") (the related transactions being the "**Issuer Pool Transactions**");
- (d) the third set of Hedging Agreements is to be entered into by the Issuer with the Borrower upon the occurrence of a downgrading of the Borrower below the minimum required in accordance with the rating agencies public methodologies and criteria, and constitutes a back-to-back agreement with the Issuer Pool Hedging Agreement(s). It aims at transferring to the Borrower the effect of the Issuer Pool Hedging Agreement(s) and related Issuer Pool Hedging Transaction(s), as long as no Event of Default under the Facility Agreement occurs (the "**Borrower Pool Hedging Agreement(s)**", the related transactions being the "**Borrower Pool Transactions**");
 - (a) pursuant to the terms of the Issuer Hedging Agreements, in the event that the relevant ratings of the Eligible Hedging Provider is or are downgraded by a Rating Agency below the required ratings specified in the relevant Issuer Hedging Agreement, the relevant Eligible Hedging Provider will, in accordance with and pursuant to the terms of the Issuer Hedging Agreements, be required to take certain remedial measures which may include one or more of the following: (i) providing collateral for its obligations under the Issuer Hedging Agreements; (ii) arranging for its obligations under the Issuer Hedging Agreements to be transferred to a replacement Eligible Hedging Provider with the ratings determined in accordance with the methodologies published by the Rating Agencies (as specified in the Issuer Hedging Agreements); (iii) procuring another entity with the ratings required by the relevant Rating Agency (as specified in the Issuer Hedging Agreements) to become co-obligor in respect of its obligations under the Issuer Hedging Agreements; and/or (iv) taking such other actions as the Eligible Hedging Provider may agree with the relevant Rating Agency;
 - (b) upon the occurrence of an Event of Default under the Facility Agreement, and the subsequent transfer in favor of the Issuer of title to the Collateral Security Assets (as this term is defined under the Collateral Security Agreements) following an enforcement of the Collateral Security: (i) the Borrower Pool Hedging Agreement will be immediately terminated and (ii) the Issuer will maintain its rights and obligations under the Issuer Hedging Agreements;
 - (c) any amount payable under the Issuer Hedging Agreements, after any applicable set-off as the case may be, benefit from the *privilège* defined in article L. 515-19 of the French Monetary and Financial Code, whereas the amounts payable under the Borrower Pool Hedging Agreement(s) shall not.
 - (d) for the purpose of the above paragraphs:

"**Eligible Hedging Provider**" means a financial institution which meets the following conditions:

- it is permitted under any applicable law to enter into forward financial contracts with French residents,
- it is a Qualifying Entity (as defined below); and
- it has sufficient credit ratings which are commensurate with the then current rating of the Notes in accordance with the public methodologies and criteria of the Rating Agencies;

"Qualifying Entity" means an entity which, at the time of conclusion of the relevant Hedging Agreement, fulfils the conditions imposed by applicable laws taking into account, as the case may be, any double taxation agreement in force at that time (subject to the completion of any necessary procedural formalities) and any applicable rulings, as the case may be, issued by the relevant tax authorities, in order for a payment under such Hedging Agreement not to be subject to (or as the case may be, to be exempt from) any withholding tax or similar tax.

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (in each case subject to simplification by the deletion of non-applicable provisions) shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued by SOCIÉTÉ GÉNÉRALE SCF (the "**Issuer**") in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder and supplemented, where necessary, with supplemental terms and conditions which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the final terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an amended and restated agency agreement dated 25 May 2012 (the "**Agency Agreement**") between the Issuer, Société Générale as fiscal agent and principal paying agent and the other agents named therein. The fiscal agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agent**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent(s)**". The holders of the interest coupons (the "**Coupons**") relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the "**Talons**") for further Coupons and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Materialised Notes of which the principal is redeemable in instalments are respectively referred to below as the "**Couponholders**" and the "**Receiptholders**".

For the purposes of these Terms and Conditions, "**Regulated Market**" means any regulated market situated in a member state of the European Economic Area ("**EEA**"), as defined in the Directive 2004/39/EC.

1. Form, Denomination, Title and Redenomination

(a) Form

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

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

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

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

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. "**Instalment Notes**" are issued with one or more Receipts attached.

In accordance with articles L.211-3 *et seq.* of the French Monetary and Financial Code, securities (such as Notes constituting obligations under French law) in materialised form and governed by French law must be issued outside the French territory.

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

The Notes may be "**Fixed Rate Notes**", "**Floating Rate Notes**", "**Zero Coupon Notes**", "**Index Linked Notes**" (including both "**Index Linked Interest Notes**", in respect of which amounts of interest due under the Notes shall be calculated by reference to an index and/or formula, and "**Index Linked Redemption Notes**" in respect of which amounts of principal due under the Notes shall be calculated by reference to an index and/or formula), "**Inflation Linked Notes**", "**Dual Currency Notes**", "**Partly Paid Notes**" or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in the relevant Final Terms.

(b) **Denomination**

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the "**Specified Denomination(s)**"), save that the minimum denomination of each Note admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Directive 2003/71/EC of the European Parliament and of the Council, as amended from time to time, will be €100,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title**

- (i) Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.
- (ii) Title to Definitive Materialised Notes, including, where appropriate, Receipt(s), Coupons and/or a Talon attached, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Coupon, Receipt or Talon shall be deemed to be and may be treated

as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

- (iv) In these Conditions,

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

(d) **Redenomination**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt or Talon, by giving at least thirty (30) days' notice in accordance with Condition 14 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "EC", as amended from time to time (the "**Treaty**")) or events have occurred which have substantially the same effects (in either case, "**EMU**"), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to article 123(4) of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to holders of Notes in accordance with Condition 14. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to holders of Notes by the Issuer.
- (iii) Upon redenomination of the Notes, any reference herein to the relevant national currency shall be construed as a reference to Euro.
- (iv) Unless otherwise specified in the relevant Final Terms, the Issuer may, with the prior approval of the Fiscal Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 13, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 13 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to holders of Notes in accordance with Condition 14 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

2. Conversions and Exchanges of Notes

(a) Dematerialised Notes

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

(b) Materialised Notes

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination (as defined in the relevant Final Terms).

In accordance with articles L. 211-3 and R. 211-1 of the French Monetary and Financial Code, securities (including the Notes) in materialised form and governed by French law must be issued outside the French territory.

3. Status

The principal and interest of the Notes and, where applicable, any Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and, pursuant to the provisions of Condition 4, privileged obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (the "**Privilège**") created by article L.515-19 of the French Monetary and Financial Code as described in Condition 4.

4. Privilège

- (a) The principal and interest of the Notes benefit from the *Privilège* (priority right of payment) created by article L.515-19 of the French Monetary and Financial Code.
- (b) Accordingly, notwithstanding any legal provisions to the contrary (including *Livre VI* of the French Commercial Code, pursuant to article L.515-19 of the French Monetary and Financial Code:
 - (i) all amounts payable to the Issuer in respect of loans or assimilated receivables, exposures and securities referred to in articles L.515-14 to L.515-17 of the French Monetary and Financial Code and forward financial instruments referred to in article L.515-18 of the French Monetary and Financial Code (in each case after any applicable set-off), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of *obligations foncières* such as the Notes, and any other resources raised by the Issuer and benefiting from the *Privilège*; it should be noted that not only Notes benefit from the *Privilège*; other resources (such as loans) and forward financial instruments (i.e. derivative transactions) for hedging Notes and for hedging other resources benefiting from the *Privilège*, as well as some ancillary expenses and the sums, if any, due under the contract provided for in article L.515-22 of the French Monetary and Financial Code may also benefit from the *Privilège*;
 - (ii) in case of conciliation (*conciliation*), safeguard (*sauvegarde*), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) of the Issuer, all amounts due regularly under *obligations foncières* such as the Notes, and any other resources benefiting from the *Privilège*, are paid on their contractual due date, and in priority to all other

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

- (iii) the judicial liquidation of the Issuer will not result in the redemption of *obligations foncières* such as the Notes.

5. Interest and other Calculations

(a) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Business Day" means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer or any successor thereto (the **"TARGET 2 System"**) is operating (a **"TARGET 2 Business Day"**), and/or
- (ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or
- (iii) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Final Terms (the **"Business Centre(s)"**), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

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

- (i) if **"Actual/Actual"**, **"Actual/Actual-ISDA"**, **"Act/Act"**, **"Act/Act-ISDA"** or **"Actual/365-FBF"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/Actual-FBF"** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:
 - (x) the number of complete years shall be counted back from the last day of the Calculation Period;
 - (y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;
- (iii) if **"Actual/Actual-ICMA"** or **"Act/Act-ICMA"** is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

- (B) if the Calculation Period is longer than one (1) Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where

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

"Determination Date" means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date;

- (iv) if **"Actual/365 (Fixed)"**, **"Act/365 (Fixed)"**, **"A/365 (Fixed)"** or **"A/365 F"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if **"Actual/360"**, **"Act/360"** or **"A/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (vii) if **"30/360-FBF"** or **"Actual 30A/360 (American Bond Basis)"** is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360-FBF, subject to the following exception:

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

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

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

then:

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

or

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

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

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

where:

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

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

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

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

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

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

- (ix) if "**30E/360-FBF**" is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising twelve (12) months of thirty (30) days, subject to the following the exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days,

where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

the fraction is:

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

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

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

where:

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

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

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

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

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

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

"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 Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"Euro Zone" means the region comprised of member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty.

"FBF Definitions" means the definitions set out in the 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* (together the **"FBF Master Agreement"**), unless otherwise specified in the relevant Final Terms.

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

"Interest Amount" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as specified in the relevant Final Terms, as the case may be.

"Interest Commencement Date" means the Issue Date (as defined in the relevant Final Terms) or such other date as may be specified in the relevant Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) TARGET 2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the Final Terms for the

Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

"Interest Payment Date" means the date(s) specified in the relevant Final Terms.

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

"Interest Period Date" means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms.

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000) as may be specified 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 organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

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

"Reference Banks" means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR or EONIA is the relevant Benchmark, shall be the Euro-zone, and, if LIBOR is the relevant Benchmark, shall be London).

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

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

"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 Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose **"local time"** means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11:00 a.m. (Brussels time).

"Representative Amount" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in

the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

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

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii).

(b) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Final Terms.

If a fixed amount of interest ("**Fixed Coupon Amount**") or a broken amount of interest ("**Broken Amount**") is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

(c) **Interest on Floating Rate Notes and Index Linked Notes**

(i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest 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 (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

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

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in (i) the relevant Final Terms and/or (ii) the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*Echange*) in the relevant Specified Currency incorporating the FBF Definitions and under which:

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

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

(B) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms;
- (b) the Designated Maturity is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

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

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
 - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
 - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

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

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Final Terms) the Margin (if any); and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Notes*: The Rate of Interest in respect of Index Linked Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.

(d) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date pursuant to an Issuer's Option or, if so specified in the relevant Final Terms, pursuant to Condition 6(d) or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall, unless otherwise provided in the relevant Final Terms, be the Early Redemption Amount. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(d)(i)).

(e) **Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

(f) **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.

(g) **Accrual of interest**

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.

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

- (a) If any Margin is specified in the relevant Final Terms, either (x) generally or (y) in relation to one or more Interest Accrual Periods, an adjustment shall be made to all Rates of Interest in the case of (x), or to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 5(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (b) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (c) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (w) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) otherwise all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (y) all figures shall be rounded to seven figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(i) **Calculations**

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

(j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

The Calculation Agent, as soon as practicable on such date as it may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination (as defined in the relevant Final Terms) of the Notes for the relevant Interest Accrual Period, shall calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and

cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, the Paying Agent, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(k) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris 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. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 14.

6. Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including the Issuer's option in accordance with Condition 6(c), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.

(b) Redemption by Instalments and Final Redemption

Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to the Issuer's option in accordance with Condition 6(c), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from

the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption**

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

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

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market requirements.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with article R.213-16 of the French Monetary and Financial Code and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market requirements.

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on Euronext Paris and the rules applicable to such Regulated Market so permit, on the website of the AMF (www.amf-france.org) or (ii) in a leading financial newspaper with general circulation in the city where the Regulated Market on which such Notes are admitted to trading is located, which in the case of Euronext Paris is expected to be *Les Echos*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

(d) **Early Redemption**

(i) *Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(f) or 6(i) shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or 6(i) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Final Terms.

(ii) *Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(f) or 6(i) shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise specified in the relevant Final Terms.

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

Unless otherwise specified in the relevant Final Terms, if French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, such Notes may not be redeemed early.

(f) **Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified in the relevant Final Terms.

(g) **Purchases**

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

Unless otherwise indicated in the Final Terms, Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and/or regulations for the purpose of enhancing the liquidity of the Notes, or cancelled in accordance with Condition 6 (i) below.

(h) **Subscription by the Issuer of Notes as collateral with the *Banque de France***

Pursuant to article L. 515-32-1 of the French Monetary and Financial Code, the Issuer as *société de crédit foncier* may subscribe to its own Notes for the sole purpose of granting them as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations, provided that the Issuer's liquidity needs cannot be funded otherwise. The Notes thus subscribed by the Issuer must meet the following conditions:

- their outstanding principal amount does not exceed 10 per cent. of the outstanding principal amount of any liabilities of the Issuer benefiting from the *Privilège* on the date of their subscription;
- they are deprived of the rights provided for under articles L. 228-46 to L. 228-89 of the French Commercial Code for so long as they are held by the Issuer;
- they are granted as collateral to the *Banque de France* within an 8-day period starting from their settlement date (otherwise, they shall be cancelled by the Issuer at the end of such 8-day period); and
- they cannot be subscribed by a third party.

In any case, the Notes subscribed by the Issuer shall be cancelled within an 8-day period starting from the date they are no longer granted as collateral with the *Banque de France*.

The Specific Controller certifies these conditions are met in a report delivered to the *Autorité de contrôle prudentiel (ACP)*.

(i) Cancellation

All Notes purchased or subscribed by the Issuer pursuant to Condition 6 (g) above or Condition 6 (h) above and which are to be cancelled will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) Illegality

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

7. Payments and Talons

(a) Dematerialised Notes

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank (as defined below) designated by the relevant holder of Notes. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) **Definitive Materialised Notes**

(i) *Method of payment*

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

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

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

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

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

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

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

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

If the due date for redemption of any Definitive Materialised Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender (if appropriate) of the relevant Definitive Materialised Note.

(c) **Payments in the United States**

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agent(s) with specified offices outside the United States with the reasonable expectation that such Paying Agent(s) would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments subject to Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives but without prejudice to Condition 8. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

(e) **Appointment of Agents**

The Fiscal Agent, the Paying Agent and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) Paying Agent having specified offices in at least two major European cities and ensuring the financial services of the Notes free of charges to the Noteholders so long as the Notes are listed and admitted to trading on Euronext Paris and, so long as the Notes are admitted to trading on any other Regulated Market, in such other city where the Notes are admitted to trading, (iv) in the case of Materialised Notes, a Paying Agent having its specified office in a Member State of the EU that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other EU Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to, such Directive (which may be the Paying Agent referred to in (iii) above), (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent and (vi) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 14.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary

another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) **Business Days for Payment**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Final Terms (the "**Adjusted Payment Date**"), nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) in such jurisdictions as shall be specified as "**Financial Centre(s)**" in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET 2 Business Day.

(h) **Bank**

For the purpose of this Condition 7, "**Bank**" means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET 2 System.

8. Taxation

(a) *Withholding Tax*

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

(b) *No Additional Amounts*

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

9. Prescription

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

10. Representation of Noteholders

Except as otherwise provided by the relevant Final Terms, holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "Masse").

The Masse will be governed by the provisions of the French Commercial Code with the exception of articles L.228-48, L.228-59, L.228-71, R.228-63, R.228-65, R.228-67 and R.228-69, subject to the following provisions:

(a) **Legal Personality**

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

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

(b) **Representative**

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

- (i) the Issuer, the members of its board of directors (*conseil d'administration*), its executive board (*directoire*), its supervisory board (*conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, its employees and their ascendants, descendants and spouse; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their board of directors (*conseil d'administration*), executive board (*directoire*) or supervisory board (*conseil de surveillance*), their statutory auditors, employees and their ascendants, descendants and spouse; or
- (iii) companies holding ten (10) per cent. or more of the share capital of the Issuer or companies having ten (10) per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The name and address of the initial Representative will be set out in the Final Terms.

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

The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series. The Representative appointed in respect of each Series of Notes will be the Representative in respect of the first Tranche of the first Series of Notes.

In the event of death, retirement or revocation of appointment of the Representative, an other Representative will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the name and address of the Representative at the head office of the Issuer and the specified office of the Paying Agent.

(c) **Powers of Representative**

The Representative shall (in the absence of any decision to the contrary of the General Meeting and except as provided by paragraph 1 of article L.515-31 of the French Monetary and Financial Code) have the power to take all acts of management necessary in order to defend the common interests of the holders of Notes.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative; except that, should safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) proceedings be commenced against the Issuer, the Specific Controller would file the proof of debt of all creditors (including the Noteholders) of the Issuer benefiting from the *Privilège*.

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

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 14.

Each Noteholder has the right to participate in a General Meeting in person or by proxy. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination (as defined in the relevant Final Terms), one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

In accordance with article R.228-71 of the French Commercial Code, the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at zero hours, Paris time.

(e) **Powers of the General Meetings**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Noteholders attending such General Meetings or represented thereat.

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

(f) **Information to Noteholders**

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified office of the Paying Agent and at any other place specified in the notice of the General Meeting.

(g) **Expenses**

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) **Single Masse**

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

In respect of any Tranche of Notes issued or deemed to be issued outside France, this Condition 10 may, if so specified in the relevant Final Terms, be waived, amended or supplemented, and in respect of any Tranche issued inside France, this Condition 10 shall be waived in its entirety and replaced by the full provisions of the French Commercial Code.

For the avoidance of doubt, in this Condition 10, the term “**outstanding**” shall not include those Notes subscribed or purchased by the Issuer pursuant to, respectively, articles L.515-32-1 and L.213-1 A of the French Monetary and Financial Code that are held by it and not cancelled.

11. Modifications

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

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

If, in the case of any Materialised Notes, a Definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for this purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues and Consolidation

(a) **Further Issues**

Unless otherwise provided in the relevant Final Terms, the Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further notes carry rights identical in all respects (or identical in all respects save for the principal amount thereof and the first payment of interest) and that the terms of such notes provide for such assimilation, and references in these Conditions to “**Notes**” shall be construed accordingly.

(b) **Consolidation**

Unless otherwise provided in the relevant Final Terms, the Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 14, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

14. Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth (4th) weekday (being a day other than a Saturday or a Sunday) after the mailing, or, at the option of the Issuer, (ii) they are published in a leading daily financial newspaper of general circulation in Europe (which is expected to be the *Financial Times*); provided that, so long as such Notes are admitted to trading on any Regulated Market and the rules applicable to such Regulated Market so require, notices shall be valid if published in a daily financial newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is located which, in the case of Euronext Paris, is expected to be *Les Echos*, or as otherwise required by the rules applicable to that Regulated Market, as the case may be.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a daily leading financial newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are admitted to trading on any Regulated Market and the applicable rules of that Regulated Market so require, in a leading daily financial newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is located which, in the case of Euronext Paris, is expected to be *Les Echos*, or as otherwise required by the rules applicable to that Regulated Market, as the case may be.
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au nominatif* or *au porteur*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a), (b) and (d); provided that so long as such Notes are admitted to trading on any Regulated Market(s) and the rules applicable to that Regulated Market so require, notices shall also be published in a daily financial newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading is/are located, which, in the case of Euronext Paris, is expected to be *Les Echos*, and as otherwise required by the rules applicable to that Regulated Market, as the case may be.
- (d) If any such publication is not practicable, notice shall be validly given if published in a leading daily financial newspaper with general circulation in Europe, provided that, so long as such Notes are admitted to trading on any Regulated Market, notice shall be published as otherwise required by the rules applicable to that Regulated Market, as the case may be. 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 publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

15. Governing Law and Jurisdiction

(a) Governing Law

The Notes (and, where applicable, the Receipts, Coupons and Talons) are governed by, and shall be construed in accordance with, French law.

(b) Jurisdiction

Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court in Paris.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

Temporary Global Certificates

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

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

Exchange

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

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "General Description of the Programme-Selling Restrictions"), in whole, but not in part, for Definitive Materialised Notes and
- (ii) otherwise, in whole but not in part, upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) (and any successor regulation issued under the HIRE Act) as to non-U.S. beneficial ownership for Definitive Materialised Notes.

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

Delivery of Definitive Materialised Notes

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

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to

such day pursuant to Condition 13(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) days after the issue date of such further Materialised Notes.

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

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

FORM OF FINAL TERMS**Final Terms dated [●]****SOCIÉTÉ GÉNÉRALE SCF****(Issuer)**

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

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 25 May 2012 which received visa no. 12-229 from the *Autorité des marchés financiers* (the "AMF") on 25 May 2012 [and the supplement to the Base Prospectus dated [●]] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 (the "Prospectus Directive") as amended (which includes the amendments made by Directive 2010/73/EU (the "2010 PD Amending Directive") to the extent that such amendments have been implemented in a Member State of the European Economic Area).

This document constitutes the Final Terms of the Notes described herein for the purposes of article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus, [the supplement to the Base Prospectus] and these Final Terms are available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>) [and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained]. [In addition¹, the Base Prospectus, [the supplement to the Base Prospectus] and these Final Terms are available for viewing [on/at] [●].]

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] [which received visa no. [●]] from the *Autorité des marchés financiers* (the "AMF") on [●]] [and the supplement to the Base Prospectus dated [●]] which received visa no. [●] from the AMF on [●]] ([together,] the "**Original Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 (the "**Prospectus Directive**") as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area) and must be read in conjunction with the Base Prospectus dated 25 May 2012 which received visa no. 12-229 from the AMF on 25 May 2012 [and the supplement thereto dated [●]] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Current Base Prospectus**"), save in respect of the Conditions which are extracted from the Original Base Prospectus and are attached hereto. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms, the Original Base Prospectus and the Current Base Prospectus. The Original Base Prospectus, the Current Base Prospectus, and these Final Terms are available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>) [and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained]. [In addition², the Original Base Prospectus, the Current Base Prospectus, and these Final Terms are available for viewing [on/at] [●].]

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

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a forty-eight (48)-hour time period.]

1 If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

2 If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

1. **Issuer:** SOCIÉTÉ GÉNÉRALE SCF
2. (i) **Series Number:** [●]
- (ii) **Tranche Number:** [●]
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. **Specified Currency or Currencies:** [●]
4. **Aggregate Nominal Amount of Notes:** [●]
- (i) **Series:** [●]
- (ii) **Tranche:** [●]
5. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. **Specified Denomination(s):** [●]
(one denomination only for Dematerialised Notes) (Not less than €100,000 or its equivalent in other currency at the Issue Date when the Notes are admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive)³
7. (i) **Issue Date:** [●]
- (ii) **Interest Commencement Date:** [Specify/Issue Date/Not Applicable]
8. **Maturity Date:** [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9. **Interest Basis:** [[●] per cent. Fixed Rate]
 [[EURIBOR, EONIA, LIBOR, CMS, TEC or other] +/- [●] per cent. Floating Rate]
 [Zero Coupon]
 [Index Linked Interest]
 [Other (specify)]
(further particulars specified below)
10. **Redemption/Payment Basis⁴:** [Redemption at par]
 [Index Linked Redemption]
 [Dual Currency]

³ Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of FSMA and having a maturity of less than one year must have a minimum denomination of Sterling 100,000 (or its equivalent in other currencies).

⁴ If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

[Partly Paid]
 [Instalment]
 [Other (*specify*)]
 (*further particulars specified below*)

11. **Change of Interest or Redemption/Payment Basis:** *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
12. **Call Option:** [Issuer Call]
 [other option: (*further particulars specified below*)]
 [Not Applicable]
13. (i) **Status of the Notes:** *Obligations Foncières*
- (ii) **Date of corporate authorisations for issuance of Notes obtained:** Decision of *the* Board of Directors (*Conseil d'administration*) dated [●]
14. **Method of distribution:** [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Notes Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) **Rate[(s)] of Interest:** [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) **Interest Payment Date[(s)]:** [●] in each year [adjusted pursuant to the *[specify applicable Business Day Convention]*/ Not adjusted]
- (iii) **Fixed Coupon Amount(s):** [●] per [●] in Specified Denomination
- (iv) **Broken Amount(s):** *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]]*
- (v) **Day Count Fraction:** [30/360 / Actual/Actual (ICMA/ISDA) / other]
- (vi) **Determination Dates:** [●] in each year
(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (vii) **Other terms relating to the method of calculating interest for Fixed Rate Notes:** [Not Applicable/*give details*]
16. **Floating Rate Notes Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period Date: [Interest Payment Date/Other (*specify*)]
- (v) Business Day Convention: [Floating Rate Business Day Convention/
Following Business Day Convention/ Modified
Following Business Day Convention/
Preceding Business Day Convention/ other
(*give details*)]
- [Insert "unadjusted" if the application of the
relevant business day convention is not
intended to affect the Interest Amount]*
- (vi) Business Centre(s) (Condition 5(a)): [●]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [FBF Determination/ ISDA Determination/
Screen Rate Determination/other (*give details*)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]
- (ix) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): [●]
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]
 - FBF Definitions (if different from those set out in the Conditions): [●]
- (x) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions (if different from those set out in the Conditions): [●]
- (xi) Screen Rate Determination: [Applicable/Not Applicable]
- Relevant Rate: [●] [Either LIBOR, EURIBOR or other and, if other, *include additional information if necessary*]

- Relevant Time: [●]
- Interest Determination Date(s): [●]
- Primary Source: [*Specify relevant screen page or "Reference Banks"*]
- Reference Banks (if Primary Source is "Reference Banks"): [*Specify four*]
- Relevant Financial Centre: [*The financial centre most closely connected to the Benchmark - specify if not Paris*]
- Representative Amount: [*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*]
- Effective Date: [*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*]
- Specified Duration: [*Specify period for quotation if not duration of Interest Accrual Period*]
- (xii) Margin(s): [+/-] [●] per cent. per annum
- (xiii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiv) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xv) Day Count Fraction: [●]
- (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]

17. Zero Coupon Notes Provisions:

[Applicable/Not Applicable]

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

- (i) Amortisation Yield: [●] per cent. per annum
- (ii) Day Count Fraction: [●]
- (iii) Any other formula/basis of determining amount payable: [●]

18. Index-Linked Interest Notes/other variable-linked interest Notes Provisions⁵:

[Applicable/Not Applicable]

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

- (i) Index/ Formula/ other variable: [give or annex details]
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●][give name and address]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [●]
- (iv) Interest Determination Date(s): [●]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Interest or Calculation Period(s): [●]
- (vii) Specified Interest Payment Dates: [●]
- (viii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (ix) Business Centre(s): [●]
- (x) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xi) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Day Count Fraction: [●]

19. Dual Currency Notes Provisions⁵:

[Applicable/ Not Applicable]

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

- (i) Rate of Exchange/Method of calculating Rate of Exchange: [give details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation

⁵ If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- Agent): [●][give name and address]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [Need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]
- (v) Day Count Fraction: [●]

PROVISIONS RELATING TO REDEMPTION

20. Call Option: [Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●]
- (b) Maximum Redemption Amount: [●]
- (iv) Option Exercise Date(s) [●]
- (v) Notice period⁶: [●]

21. Other Option: [●]

22. Redemption by Instalments: [Applicable/Not Applicable]

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

- (i) Instalment Amount(s): [●]
- (ii) Instalment Date(s): [●]
- (iii) Other terms relating to Redemption by Instalments: [Not Applicable/give details]

⁶ If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

- 23. Final Redemption Amount of each Note⁷:** [[●] per Note of [●] specified denomination/ Specified Denomination/Other (*specify*)]

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- (i) Index/Formula/variable: [give or annex details]
- (ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [●] [give name and address]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
- (iv) Determination Date(s): [●]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Payment Date: [●]
- (vii) Minimum Final Redemption Amount: [●]
- (viii) Maximum Final Redemption Amount: [●]

24. Early Redemption Amount:

Early Redemption Amount(s) of each Note payable on early redemption and/or the method of calculating the same and/or any other terms (if required or if different from that set out in the Conditions): [●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25. Form of Notes:** [Dematerialised Notes/ Materialised Notes]
(*Materialised Notes are only in bearer form*)
- [Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer form (*au porteur*)/ administered registered form (*au nominatif administré*)/ fully registered form (*au nominatif pur*)]

⁷ If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- (ii) Registration Agent: [Not Applicable/if applicable give name and address] *(Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the "**Exchange Date**"), being forty (40) days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- 26. Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 7(g):** [Not Applicable/Give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 15 (ii), 16(v) and 18(ix) relate] [/Other]⁸
- Adjusted Payment Date (Condition 7(g)) :** [Applicable/Not Applicable/The next following business day unless it would thereby fall into the next calendar month, in which such event such date shall be brought forward to the immediately preceding business day.] [The immediately preceding business day]/[Other⁹]
- 27. Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. If yes, give details] *(Only applicable to Materialised Notes)*
- 28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** [Not Applicable/give details]
- 29. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:** [Not Applicable/give details]
- 30. Redenomination, renominatisation and reconventioning provisions:** [Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]
- 31. Consolidation provisions:** [Not Applicable/The provisions [in Condition 13(b)] [annexed to these Final Terms] apply]
- 32. Masse (Condition 10):** [Applicable/ Not Applicable/ Condition 10 replaced by the full provisions of the French Commercial Code relating to the Masse] *(Note that: (i) in respect of any Tranche issued or*

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In the market practice, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 7(g)).

deemed to be issued outside France, Condition 10 may be waived, amended or supplemented, and (ii) in respect of any Tranche issued inside France, Condition 10 must be waived in its entirety and replaced by the full provisions of the French Commercial Code relating to the Masse. If Condition 10 (as it may be amended or supplemented) applies or if full provisions of the French Commercial Code relating to the Masse apply, insert details of Representative and Alternative Representative and remuneration, if any.)

33. Other final terms:

[Not Applicable/give details]

(When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

DISTRIBUTION

34. (i) If syndicated, names of Managers:

[Not Applicable/give names]

(ii) Date of [subscription agreement]:

[●]⁹

(iii) Stabilising Manager(s) (if any):

[Not Applicable/give name]

35. If non-syndicated, name of Dealer:

[Not Applicable/give name]

36. Additional selling restrictions:

[Not Applicable/give details]

37. U.S. selling restrictions:

The Notes have not been and will not be registered under the Securities Act, as amended, or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly 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. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraphs have the meaning given to them by Regulation S under the Securities Act.

[C/ Rules apply/ D Rules apply/ TEFRA not Applicable]

(TEFRA Rules are not applicable to

Dematerialised Notes)

The Permanent Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time and (ii) otherwise under 40 days after the later of the commencement of the offering or the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, a confirmation or other notice setting forth the restrictions on offers and sales of the 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 the offering of any identifiable Tranche, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.¹

GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] per cent. producing a sum of:

[Not Applicable / [●]]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on [Euronext Paris /other (*specify*)] of the Notes described herein pursuant to the Euro 15,000,000,000 Euro Medium Term Note Programme of SOCIÉTÉ GÉNÉRALE SCF.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]¹⁰

Signed on behalf of SOCIÉTÉ GÉNÉRALE SCF:

By:

Duly authorised

¹⁰ Include if third party information is provided, for example in compliance with Annex XII of the Prospectus Directive Regulation in relation to an index or its components, an underlying security or the issuer of an underlying security.

PART B – OTHER INFORMATION

1. RISK FACTORS

[Not Applicable] / *(Insert any risk factors that are material to the Notes being admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*

2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Euronext Paris] / other (*specify*)/ None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (*specify relevant regulated market*) with effect from [●].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (*specify relevant regulated market*) with effect from [●].] / [Not Applicable]

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

- (iii) Estimate of total expenses related to admission to trading: [●]

- (iv) Additional publication of Base Prospectus and Final Terms: [●] *(See paragraph 10 of the section "General Information" of this Base Prospectus which provides that the Base Prospectus and Final Terms will be published on the website of the Autorité des marchés financiers so long as the Notes are admitted to trading on any Regulated Market. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.)*

3. RATINGS

Ratings: [The Notes to be issued are expected to be rated:
[S & P: [●]]
[Moody's: [●]]
[[Other]: [●]]

Standard and Poor's is established in the European Community and is registered under European Regulation 1060/2009/EC of September 2009 on

credit rating agencies, as amended (the **CRA Regulation**).

Moody's is established in the European Community and is registered under the CRA Regulation. Moody's is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

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

4. [NOTIFICATION]

The AMF, which is the French competent authority for the purpose of the Prospectus Directive [has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the update of the Programme and the second alternative for subsequent issues*] the [include names of competent authorities of host Member States] with [a] certificate[s] of approval attesting that the Base Prospectus and the supplement[s] [has/have] been drawn up in accordance with the Prospectus Directive.]

5. SPECIFIC CONTROLLER

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

6. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST¹¹

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

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

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

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

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

¹¹ Please note that some regulatory authorities may require the inclusion of that information even though the denomination of the Notes is €100,000 or more.

7. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE]

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

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

8. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES¹²

[(i)] Reasons for the offer: [●]
(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes will need to include those reasons here.)

[(ii)] Estimated net proceeds: [●]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding)

[(iii)] Estimated total expenses: [●]
(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, (i) above is required (regardless of the minimum denomination of the securities) where the reasons for the offer are different from making profit and/or hedging certain risks and where this is the case disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)]

9. [Fixed Rate Notes only – YIELD]

Indication of yield: [●].

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

10. [Index Linked Notes or other variable-linked Notes Only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING¹³

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and

¹² For derivative securities to which Annex XII to the Prospectus Directive Regulation applies. See footnote no. 7 above.

¹³ For derivative securities to which Annex XII to the Prospectus Directive Regulation applies, please complete instead paragraphs 12 and 13 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

11. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT¹²

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

12. [Derivatives only – SETTLEMENT PROCEDURES FOR DERIVATIVES SECURITIES

Need to include a description of the settlement procedures of the derivative securities.]

13. [Derivatives only – RETURN ON DERIVATIVES SECURITIES

Return on derivative securities: *[Description of how any return on derivative securities takes place]*

Payment or delivery date: [●]

Method of calculation: [●]

14. [Derivatives only – INFORMATION CONCERNING THE UNDERLYING

The exercise price or the final reference price of the underlying: [●]

A statement setting out the type of the underlying and details of where information on the underlying can be obtained:

- an indication where information about the past and the further performance of the underlying and its volatility can be obtained [●]

- where the underlying is a security: [Applicable/Not Applicable]

the name of the issuer of the security: [●]

the ISIN (International Security Identification Number) or other such security identification code: [●]

- where the underlying is an index: [Applicable/Not Applicable]

the name of the index and a description of the index if it is composed by the Issuer. If the index is not composed by

the Issuer, where information about the index can be obtained: [●]

- where the underlying is an interest rate: [Applicable/Not Applicable]

a description of the interest rate: [●]

- others: [Applicable/Not Applicable]

where the underlying does not fall within the categories specified above the Final Terms shall contain equivalent information: [●]

- where the underlying is a basket of underlyings: [Applicable/Not Applicable]

disclosure of the relevant weightings of each underlying in the basket: [●]

A description of any market disruption or settlement disruption events that affect the underlying: [●]

Adjustment rules with relation to events concerning the underlying]¹⁴: [●]

15. [Derivatives only – OTHER

Name and address of Calculation Agent: [●]

[Information on taxes on the income from the Notes withheld at source in the country where admission to trading (other than in France) is sought: [●]]

16. [Derivatives only – POST ISSUANCE INFORMATION CONCERNING THE UNDERLYING

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

[If post-issuance information is to be reported, specify what information will be reported and where such information can be obtained.]]

17. OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

Depositories:

(i) Euroclear France to act as Central Depositary [Yes/No]

(ii) Common Depositary for Euroclear Bank and Clearstream Banking, société

14 Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

anonyme

[Yes/No]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):

[Not Applicable/give name(s) and number(s) and address(es) and provide any other appropriate information]

Delivery:

Delivery [against/free of] payment

Name and address of initial Paying Agents:

Fiscal Agent and Principal Paying Agent:**Société Générale**

BP 81236

32, rue du Champ de Tir

44312 Nantes Cedex 3

France

Luxembourg Paying Agent:**Société Générale Bank & Trust**

11, avenue Emile Reuter

L-2420 Luxembourg

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

[●]

18. [Derivatives only – TERMS AND CONDITIONS OF THE OFFER

CONDITIONS, OFFER STATISTICS, EXPECTED TIMETABLE AND ACTION REQUIRED TO APPLY FOR THE OFFER

Offer Price:

[Issue Price] *[specify the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure. Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser]*

Conditions to which the offer is subject:

[Not Applicable/give details]

Description of the application process:

[Not Applicable/give details]

The time period, including any possible amendments during which the offer will be open and description of the application process:

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:

[Not Applicable/give details]

Details of the minimum and/or maximum amount of application:

[Not Applicable/give details]

Method and time limits for paying up and delivering the Notes:

[Not Applicable/give details]

Manner in and date on which results of the

offer are to be made public:]

[Not Applicable/*give details*]

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:

[Not Applicable/*give details*]]

19. [Derivatives only – PLAN OF DISTRIBUTION AND ALLOTMENT

The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche:

[●]

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:]

[●]]

20. [Derivatives only – PLACING AND UNDERWRITING

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

[●]

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

[●]]

TAXATION

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

1. EU Savings Directive

On 3 June 2003, the European Union adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States as from 1 July 2005 to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Directive made by a paying agent within their jurisdiction to an individual resident in another Member State or to certain limited types of entities established in that other Member State, except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information. At the date of the Base Prospectus, the rate of this withholding tax is 35%.

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

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

2. French Taxation

The description below is intended as a basic summary of certain withholding tax considerations relating to the payments in respect of the Notes made to a Noteholder who (i) is not a French resident for tax purposes, (ii) does not hold the Notes in connection with a permanent establishment or a fixed base in France and (iii) is not otherwise affiliated with the Issuer.

Directive

The Directive has been implemented in French law by article 242 *ter* of the French General Tax Code (*Code général des impôts*) and articles 49 I *ter* to 49 I *sexies* of the Schedule III to French *Code général des impôts*. Article 242 *ter* of the French General Tax Code (*Code général des impôts*), imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Please refer to the section "*EU Savings Directive*" above for more details.

Withholding Tax

- (a) Following the introduction of the French *loi de finances rectificative pour 2009* no. 3 (n° 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to Notes (other than Notes (described below) which are assimilated (*assimilables* for the purposes of French law) and form a single series with Notes issued prior to 1 March 2010 having the benefit of article 131 *quater* of the French General Tax Code (*Code général des impôts*)) will not be

subject to the withholding tax set out under article 125 A III of the French General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of article 238-0 A of the French General Tax Code (*Code général des impôts*) (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a 50 % withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of article 125 A III of the French General Tax Code (*Code général des impôts*).

Furthermore, interest and other revenues on such Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (the "**Non-Deductibility**"). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to article 109 of the French General Tax Code (*Code général des impôts*), in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under article 119 bis of the French General Tax Code (*Code général des impôts*), at a rate of 30% or 55%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the Non-Deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the ruling (*rescrit*) 2010/11 (FP and FE) of the *Direction générale des impôts* dated 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes if such Notes are:

- (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 other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
 - (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
 - (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.
- (b) Payments of interest and other revenues with respect to Notes which are assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued (or deemed issued) outside France as provided under article 131 *quater* of the French General Tax Code (*Code général des impôts*), before 1 March 2010, will continue to be exempt from the withholding tax set out under article 125 A III of the French General Tax Code (*Code général des impôts*).

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of rulings (*rescrits*) 2007/59 (FP) and 2009/23 (FP) of the *Direction générale des impôts* dated 8 January 2008 and 7 April 2009, respectively, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of article 131 *quater* of the French General Tax Code (*Code général des impôts*), in accordance with Circular 5 I-11-98 of the *Direction générale des impôts* dated 30 September 1998 and the aforementioned rulings (*rescrits*) 2007/59 (FP) and 2009/23 (FP).

In addition, interest and other revenues paid by the Issuer on Notes which are to be assimilated (*assimilables* for the purposes of French law) and form a single series with Notes issued before 1 March 2010 will not be subject to the withholding tax set out in article 119 bis of the French

General Tax Code (*Code général des impôts*) solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

3. Luxembourg Taxation

Withholding Tax

(i) *Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the "**Laws**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35 per cent. since 1 July 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

(ii) *Resident holders of Notes*

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

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 25 May 2012 between the Issuer, the Arranger and the Permanent Dealer (the "**Dealer Agreement**"), the Notes will be offered by the Issuer to the Permanent Dealer. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for their expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

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

SELLING RESTRICTIONS

These selling restrictions may be amended in the relevant Final Terms.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealer(s) in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Each Dealer has agreed that it will comply, to the best of its knowledge, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefore.

United States of America

The Notes have not been and will not be registered under the Securities Act, as amended, or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly 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. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

The Permanent Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering or the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells the Notes a confirmation or other notice setting forth the restrictions on offers and sales of Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, within the United States or to, or for the account or benefit of, U.S. persons.

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

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

European Economic Area

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each of the Dealers and the Issuer have represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;

- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Federal Republic of Germany

Each of the Dealers and the Issuer has represented and agreed to offer and sell Notes issued under the Programme in compliance with the provisions of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and the German Securities Sales Prospectus Act (*Wertpapier-Verkaufsprospektgesetz*), as applicable, each as amended from time to time and all other applicable legislation and regulation in Germany.

France

Each of the Dealers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Monetary and Financial Code.

Italy

This Base Prospectus has not been, nor will be, published in the Republic of Italy in connection with the offering of the Notes and such offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**Consob**") in the Republic of Italy pursuant to Legislative Decree no. 58 of 24 February 1998 as amended (the "**Financial Services Act**") and to Consob Regulation no. 11971 of 14 May 1999, as amended (the "**Issuers Regulation**") and, accordingly, no Notes may be offered, sold or delivered, and will not be offered, sold or delivered, directly or indirectly, in the Republic of Italy in an offer to the public, nor may, or will, copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined in article 34-ter, paragraph 1(b) of the Issuers Regulation; or
- (b) in other circumstances which are exempted from the rules on offers to the public pursuant to, and in compliance with, the conditions set out in article 100 of the Financial Services Act and its implementing regulations, including article 34-ter, first paragraph, of the Issuers Regulation.

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

accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and, in particular, will be made:

- (a) by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Consob Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (b) in compliance with any other notification requirement and/or limitation which may be, from time to time, imposed by Consob, the Bank of Italy and/or any other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations. No person resident or located in the Republic of Italy other than the original addressees of this Base Prospectus may rely on this Base Prospectus or its content.

Kingdom of Spain

Each of the Dealers has acknowledged that the Notes may not be offered or sold in Spain by means of a public offer as defined and construed by Spanish law except in compliance with the requirements of Chapter I of Title III of Law 24/1988, of 28 July, of the Securities Act (as amended by Royal Decree Law 5/2005, of 11 March) and related legislation.

The Netherlands

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

Switzerland

Each of the Dealers has agreed that it will comply with any laws, regulations or guidelines in Switzerland from time to time, including, but not limited to, any regulations made by the Swiss National Bank, in relation to the offer, sale, delivery or transfer of the Notes or the distribution of the Base Prospectus, the Final Terms or any offering material in respect of such Notes.

United Kingdom

Each of the Dealers has represented and agreed that:

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

Japan

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

GENERAL INFORMATION

- (1) Application has been made to the AMF to approve this document as a base prospectus and this Base Prospectus has received visa n°12-229 on 25 May 2012. Application will be made in certain circumstances to list and admit the Notes on Euronext Paris and application may be made for the listing and admission to trading on any other Regulated Market in a Member State of the European Economic Area.
- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the establishment of the Programme.

Any issue of Notes by the Issuer under the Programme will, to the extent that such Notes constitute *obligations* under French law, require the prior authorisation of the Board of Directors (*Conseil d'Administration*) of the Issuer. The Board of Directors (*Conseil d'Administration*) of the Issuer may delegate to any of its members and/or the chief executive officer (*Directeur général*) and, with the approval of the latter, to any other person, the power to decide on the issue of such Notes within a period of one year. For this purpose the Board of Directors (*Conseil d'Administration*) of the Issuer has delegated on 3 May 2012, with effect as from 3 May 2012 inclusive, to its President and Chief Executive Officer (*Président Directeur général*) Stéphane Landon and to its Deputy Chief Executive Officers (*Directeurs généraux délégués*) and members of the Board of Directors (*Conseil d'Administration*), Vincent Robillard and Pierre Menet, acting jointly or separately, the power to issue *obligations foncières* under the Programme, up to a maximum aggregate amount of € 6,000,000,000 for one year, which authority will, unless previously cancelled, expire on 2 May 2013.
- (3) Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 December 2011.
- (4) Except as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2011.
- (5) Except as disclosed in this Base Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
- (6) In respect of derivatives securities as defined in article 15.2 of Commission Regulation no.809/2004, the Final Terms will indicate whether or not the Issuer intends to provide post-issuance information concerning the underlying. If the Issuer intends to provide such information, the Final Terms will specify what information will be reported and where such information can be obtained.
- (7) Application may be made for Notes to be accepted for clearance through Euroclear France (115, rue Réaumur, 75081 Paris CEDEX 02, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream, Luxembourg (42, avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (8) Pursuant to article R.515-13 IV of the French Monetary and Financial Code, the Specific Controller certifies that the rule providing that the amount of eligible assets of the Issuer is greater than the amount of liabilities benefiting from the *Privilège* is satisfied on the basis of a quarterly borrowing programme and for any issue of Notes in a principal amount equal to or above Euro 500 million or its equivalent in the currency of issue. The Specific Controller also certifies that the conditions provided for under article L. 515-32-1 of the French Monetary and Financial Code are met, as the case may be.
- (9) Ernst & Young Audit (represented by Bernard Heller, 1/2, Place des Saisons, 92400 Courbevoie - Paris La Défense 1) and Deloitte & Associés (represented by Jean-Marc Mickeler, 185, avenue Charles de Gaulle, 92524 Neuilly-sur-Seine Cedex) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the years ended 31 December

2010 and 31 December 2011. Société Générale SCF's statutory auditors are registered with the *Compagnie Nationale des Commissaires aux Comptes* (official statutory auditors' representative body) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors). The appointment of Ernst & Young Audit as auditor of the Issuer started on 26 October 2007 and will terminate on the date of the General Shareholders Meeting approving the Annual Accounts as of 31 December 2012. The appointment of Deloitte & Associés as auditor of the Issuer started on 26 October 2007 and will terminate on the date of the General Shareholders Meeting approving the Annual Accounts as of 31 December 2015.

- (10) This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>). The Final Terms related to Notes issued under the Programme and admitted to trading on the Luxembourg Stock Exchange and listed on the Official List are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

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

- (11) So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):
- (i) the Articles of Association (*statuts*) of the Issuer;
 - (ii) the 2010 Financial Statements and the 2011 Financial Statements;
 - (iii) Final Terms relating to Notes admitted to trading on Euronext Paris or any other Regulated Market;
 - (iv) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus; and
 - (v) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus, including the certificate of the Specific Controller in respect of each issue of Notes in a principal amount equal to or above Euro 500,000,000 or its equivalent in the currency of the relevant issue.

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

- (12) The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

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