



BNP Paribas Public Sector SCF

(duly licensed French credit institution)

€15,000,000,000

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

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

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

Application has been made to the *Commission de surveillance du secteur financier* (the **CSSF**) in Luxembourg in its capacity as competent authority under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 which implements the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**). Upon such approval, application will be made for a certificate of approval under Article 18 of the Prospectus Directive as implemented in the Grand Duchy of Luxembourg to be issued by the CSSF to the competent authority in each of Austria, Belgium, France, Germany, Ireland, the Netherlands, and the United Kingdom. Application may be made (i) to the Luxembourg Stock Exchange for Notes issued under the Programme during a period of 12 months after the date of this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or (ii) to the competent authority of any other member state of the European Economic Area (**EEA**) for Notes issued under the Programme to be admitted to trading on a Regulated Market (as defined below) in such member state. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC of 21 April 2004 (a **Regulated Market**). However, Notes may be issued pursuant to the Programme which are not admitted to trading on any Regulated Market. The relevant final terms (the **Final Terms**) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading on any market and, if so, the relevant market.

Notes 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 article L.211-3 of the 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 dematerialised 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 dematerialised 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 dematerialised form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered dematerialised form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

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

Notes issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. (**S&P**), AAA by Fitch Ratings Ltd. (**Fitch**) and Aaa by Moody's Investors Service Limited (**Moody's**) and, together with S&P and Fitch, the **Rating Agencies**. The credit rating of Notes will be specified in the relevant Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice. The credit 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.

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

ARRANGER
BNP PARIBAS

DEALER
BNP PARIBAS

The date of this Base Prospectus is 9 March 2009

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

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

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the 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 of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

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

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. The Notes are being offered and sold outside the United States of America to non-U.S. persons in reliance on Regulation S.

This Base Prospectus has not been submitted to the clearance procedures of the *Autorité des marchés financiers* in France.

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

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

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

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

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

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PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

BNP Paribas Public Sector SCF (the **Responsible Person**) accepts responsibility for the information contained in this document. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

BNP PARIBAS PUBLIC SECTOR SCF
1, boulevard Haussmann
75009 Paris
France

Duly represented by Alain FONTENEAU
in its capacity as Chief Executive Officer (*Directeur Général*) of the Issuer

SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole. Following the implementation of the relevant provisions of the Prospectus Directive in each member state of the European Economic Area no civil liability will attach to the Responsible Persons in any such member state in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in a member state of the European Economic Area, the plaintiff may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

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

KEY INFORMATION ABOUT THE NOTES AND THE PROGRAMME

Issuer:	BNP Paribas Public Sector SCF
Arranger:	BNP Paribas
Dealer:	BNP Paribas
Risk Factors:	<p>There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "<i>Risk Factors</i>" below and include: credit risk on assets held by BNP Paribas Public Sector SCF and on bank counterparties of BNP Paribas Public Sector SCF, market risks, interest and currency risks, liquidity risk, risk linked to compliance with the coverage ratio and operating risks linked to information systems.</p> <p>In addition, there are certain factors which are material for the purpose of assessing the markets risks associated with Notes issued under the Programme. These are set out under "<i>Risk Factors</i>" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes, risks relating to Notes generally, risks related to market generally and legal investment consideration.</p>
Description:	Euro Medium Term Note Programme for the continuous offer of <i>obligations foncières</i> .
Fiscal Agent and Principal Paying Agent:	BNP Paribas Securities Services
Luxembourg Listing Agent:	BNP Paribas Securities Services, Luxembourg Branch
Calculation Agent:	BNP Paribas Securities Services, Luxembourg Branch, unless the Final Terms provide otherwise.
Programme Limit:	Up to €15,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any

one time.

- Distribution:** The Notes may be distributed by way of private or public placement and in each case issued on a syndicated or non-syndicated basis.
- Form of Notes:** Dematerialised Notes or Materialised Notes. Dematerialised Notes may be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*). Materialised Notes will be in bearer form only.
- Maturities:** Subject to compliance with all relevant laws, regulations and directives, any maturity from the date of original issue.
- Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in the currency agreed between the Issuer and the relevant Dealer(s) and set out in the Final Terms. Payments in respect of Notes may, subject to compliance with the aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
- Terms of the Notes:** The commercial terms and conditions of the Notes of each Series of Notes will be set out in the applicable Final Terms.
- Specified Denomination(s):** The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the relevant Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note admitted to trading on a Regulated Market within the European Economic Area or offered to the public in a member state of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date).
- Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.
- Dematerialised Notes shall be issued in one denomination only.
- Use of Proceeds:** The net proceeds from each issue of Notes will be used for financing or refinancing the Cover Pool Assets (as defined below).

Status of the Notes – Legal Privilege	The Notes will constitute direct, unconditional, and privileged obligations of the Issuer. The Notes are issued under articles L.515-13 to L.515-33 of the French <i>Code monétaire et financier</i> (the Monetary and Financial Code). Holders of Notes benefit from the <i>privilège</i> (priority right of payment) over all the assets and revenues of the Issuer as set out under article L.515-19 of the Monetary and Financial Code (for further description of the <i>privilège</i> , see " <i>Privilege relating to the Notes and certain other obligations of the Issuer</i> ").
Negative Pledge:	None.
Events of Default (including Cross Default):	None.
Interest:	The Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
Redemption:	<p>The relevant Final Terms will specify the basis for calculating the redemption amount and, if applicable, the conditions under which the Notes may be redeemed prior to maturity at the option of the Issuer or automatically.</p> <p>Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).</p>
Taxation:	<p>Payments of interest and other revenues with respect to the Notes (if they constitute <i>obligations</i> or <i>titres de créances négociables</i> under French tax law, or other debt instruments issued under French or foreign law and fiscally considered as <i>obligations</i> or <i>titres de créances négociables</i>) benefit from the tax exemption at source on interest set out under Article 125 A III of the French <i>Code général des impôts</i>, as provided for in Article 131 <i>quater</i> of the French <i>Code général des impôts</i>. Accordingly, such payments do not give the right to any tax credit from any French source.</p> <p>Otherwise, the withholding tax exemption applies if all the conditions provided by Article 131 <i>quater</i> of the French <i>Code général des impôts</i> are met and in particular if each of the subscribers of the Notes is domiciled or resident for tax purposes outside the Republic of France and does not act through a permanent establishment or a fixed base therein.</p> <p>If any law should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts.</p>

Investors should carefully review the "*Taxation*" section of this Base Prospectus. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes and in particular in Austria, Belgium, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands and/or the United Kingdom (as applicable).

Central Depositary:	Euroclear France in respect of Dematerialised Notes.
Clearing Systems:	Euroclear France, Euroclear and Clearstream, Luxembourg or any other clearing system.
Listing and admission to trading:	<p>Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Luxembourg Stock Exchange.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer(s) in relation to a given Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Offer to the public:	The Notes may or may not be offered to the public in Luxembourg and/or in any Member States of the European Economic Area, provided that such offer to the public is made in accordance with the public offer restrictions under the Prospectus Directive (see " <i>Subscription and Sale</i> ").
Method of publication:	This Base Prospectus, the supplements thereto, if any, and the Final Terms related to Notes admitted to trading will be published, if relevant, on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from BNP Paribas Public Sector SCF, 1 boulevard Haussmann 75009 Paris, France or through any other means in accordance with the terms of article 14 of the Prospectus Directive. Each Final Terms will indicate where the Base Prospectus may be obtained. In addition, if the Notes are listed and admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.
Rating:	<p>The Notes to be issued under the Programme are expected to be rated AAA by S&P, AAA by Fitch and Aaa by Moody's.</p> <p>The credit rating of the Notes will be specified in the relevant Final</p>

Terms.

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

Governing law: The Notes will be governed by, and construed in accordance with, French law.

Selling Restrictions: There are restrictions on the offer, sale and transfer of the Notes and the distribution of offering material in various jurisdictions. See "*Subscription and Sale*". In connection with the offering and sale of a particular Series, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

KEY INFORMATION ABOUT THE ISSUER

Description: BNP Paribas Public Sector SCF is a *société anonyme à conseil d'administration* incorporated under French law and registered with the Trade and Companies Register (*Registre du Commerce et des Sociétés*) of Paris under number 433 932 811 RCS Paris, duly licensed as a credit institution (*société financière – société de crédit foncier*) by the Credit Institutions and Investment Services Companies Committee (*Comité des établissements de crédit et des entreprises d'investissement* or **CECEI**) as of 30 January 2009.

BNP Paribas Public Sector SCF is governed by the provisions of article L.210-1 *et seq.* of the French Commercial Code (*Code de commerce*) applicable to commercial companies, articles L.511-1 *et seq.* of the Monetary and Financial Code applicable to credit institutions and articles L.515-13 *et seq.* of the Monetary and Financial Code applicable to *sociétés de crédit foncier*.

Its registered office is located at 1, boulevard Haussmann, 75009 Paris, France (telephone: +33 1 40 14 73 86).

Business overview: The business activities of BNP Paribas Public Sector SCF consists of the following:

- (i) to grant or acquire exposure to public sector entities referred to in articles L.515-15 of the Monetary and Financial Code;
- (ii) to acquire any eligible securities or other assets treated as similar (*assimilés à*) by the then applicable laws and regulations relating to *sociétés de crédit foncier*, to the exposures referred to in article L.515-15 of the Monetary and Financial Code, such as without limitation, units or notes (other than the subordinated units or subordinated notes) issued by an *Organisme de Titrisation* or any other similar foreign entities complying with the provisions of article L.515-16 of the Monetary and Financial Code (excluding any *Organisme de Titrisation* or other similar foreign entity which has invested in assets falling within the category referred to article L.515-14 of the Monetary and Financial

Code); and

- (iii) in order to finance the assets referred to (i) and (ii) above, to issue *obligations foncières* benefiting from the *privilège* provided for in article L.515-19 of the Monetary and Financial Code and to obtain other resources, expressly providing in the relevant related agreement, that they benefit from the *privilège* provided for in article L.515-19 of the Monetary and Financial Code;

For a more detailed description of the corporate purpose and business overview of the Issuer, see "*Description of the Issuer – Issuer's corporate purpose*" and "*Description of the Issuer – Business overview*".

BNP Paribas Public Sector SCF may also provide financing for the activities referred to above through the issue of bonds or resources not benefiting from the *privilège* provided for in article L.515-19 of the Monetary and Financial Code.

BNP Paribas Public Sector SCF is a wholly owned subsidiary of BNP Paribas S.A.

On 16 January 2009, BNP Paribas S.A. issued a document containing a statement of financial support to its subsidiary BNP Paribas Public Sector SCF (see "*Description of the Issuer*").

Selected financial data:

Two year financial summary

Item	Euros	
	31/12/2007	31/12/2008
Capital at financial year end		
Share capital	40,000	24,040,000
Number of existing ordinary shares	4,000	2,404,000
Results of operations for the year		
Turnover (Excl. VAT)	-	-
Earnings before taxes, depreciation, amortisation and provisions	- 12,498	- 6,600
Tax on profits		
Profit share due for the financial year		
Earnings after taxes and charges (depreciation, amortisation and provisions)	- 12,498	- 6,600
Distributed profits		
Earnings per share in Euros		
Earnings after taxes, but before depreciation, amortisation and provisions	- 3.12	- 0.00
Earnings after taxes and depreciation, amortisation and provisions	- 3.12	- 0.00
Dividend payable on each share	-	-

RISK FACTORS

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

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

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

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

The risk factors may be supplemented in the Final Terms of the relevant Notes for a particular Series.

RISK FACTORS RELATING TO THE ISSUER

Credit risk on assets

The assets of the Issuer will comprise (the **Cover Pool Assets**):

- (i) exposures to, or guaranteed by, public sector entities as defined in article L.515-15 of the Monetary and Financial Code; and
- (ii) any eligible securities or other Cover Pool Assets treated as similar (*assimilés à*) by the then applicable laws and regulations relating to *sociétés de crédit foncier*, to the exposures referred to in article L.515-15 of the Monetary and Financial Code, such as without limitation, units or notes (other than the subordinated units or subordinated notes) issued by an *Organisme de Titrisation* or any other similar foreign entities complying with the provisions of article L.515-16 of the Monetary and Financial Code (excluding any *Organisme de Titrisation* or other similar foreign entity which has invested in assets falling within the category referred to article L.515-14 of the Monetary and Financial Code).

The vast majority of these assets comes from the commercial financing activities of BNP Paribas group entities. When new assets are transferred or allocated to the Issuer's balance sheet, eligibility is verified (including by the Specific Controller) for both French and non-French assets.

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

Credit risk on bank counterparties

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

- (i) hedging operations with which it has entered into ISDA or *Fédération Bancaire Française* master agreements that meet rating agency standards for *sociétés de crédit foncier*; and
- (ii) administrating the Issuer's accounts.

The agreements to be entered into between the Issuer and the above counter parties will comply with the rating agencies public methodologies and criteria which are commensurate to the then current rating of the Notes.

Market risks

According to articles L.515-17 and R.515-7 of the Monetary and Financial Code, different types of exposures on credit institutions or investment firms benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) or, with respect to receivables held over credit institutions located in a Member State of the European Community or EEA and having a residual maturity not exceeding 100 days, the second highest level of credit quality, on each case, assigned by an external rating agency recognised by the *Commission bancaire* pursuant to article L.511-44 of the Monetary and Financial Code are eligible for investment by the Issuer, as replacement assets (*valeurs de remplacement*).

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

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

In addition, the Issuer can only enter into derivative instruments pursuant to a hedging strategy, involving either micro- or macro-hedges.

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

Interest and currency risks

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

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

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

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

Liquidity risk

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

To address such liquidity risk the Issuer will benefit from an undertaking from BNP Paribas, under the Master Servicing Agreement, to advance collections in an amount equal to the Final Redemption Amount or Instalment Amount to be paid by the Issuer on the upcoming Maturity Date or Instalment Date under the relevant Series of Notes, which cannot be funded by reason of the maturity of sums due under the Cover Pool Assets exceeding such Maturity Date or Instalment Date (the **Collection Advance**). All sums collected by BNP Paribas under the Cover Pool Assets (acting on behalf of the Issuer in accordance with the Master Servicing Agreement) following the making of a Collection Advance shall be applied by BNP Paribas to the repayment of such Collection Advance.

On the date on which BNP Paribas' short-term, unsecured, unsubordinated and unguaranteed debt obligation falling below A-1 by S&P, P-1 by Moody's or F1+ by Fitch (or such other minimum ratings complying with the Rating Agencies' public methodologies and criteria in order to maintain the ratings of the Notes) (a **Pre-Maturity Rating Event**) and on a regular basis throughout the period starting from such date and ending on the date on which the Pre-Maturity Rating Event ceases to be continuing, BNP Paribas undertakes (x) to transfer certain amounts to the Issuer on such date by crediting such cash collateral account as designated by the Issuer and (y) to maintain, on a rolling basis until such Pre-Maturity Rating Event has ceased to occur, a minimum reserve amount in such cash collateral account, as security for its payment obligations under the Master Servicing Agreement (the **Secured Liabilities**). Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the Monetary and Financial Code.

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

Commingling risk

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

To address such commingling risk, the Issuer will benefit from an undertaking from BNP Paribas to transfer to the Issuer certain amounts on each collection payment date following BNP Paribas' short-term, unsecured, unsubordinated and unguaranteed debt obligation falling below A-1 by S&P, P-1 by Moody's or F1 by Fitch (or such other minimum ratings complying with the Rating Agencies' public methodologies and criteria in order to maintain the ratings of the Notes) by crediting such cash collateral account as designated by the Issuer, as security for the Secured Liabilities. Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the Monetary and Financial Code.

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

Set-off risk

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

To address such set-off risk, the Issuer will benefit from an undertaking from BNP Paribas to transfer to the Issuer certain amounts upon BNP Paribas' short-term, unsecured, unsubordinated and unguaranteed debt obligation falling below A-1 by S&P, P-1 by Moody's or F1 by Fitch (or such other minimum ratings complying with the Rating Agencies' public methodologies and criteria in order to maintain the ratings of the Notes) by crediting such cash collateral account as designated by the Issuer, as security for the Secured Liabilities. Such cash collateral shall be granted pursuant to article L.211-38 *et seq.* of the Monetary and Financial Code.

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

Compliance with the coverage ratio

According to article L.515-20 of the Monetary and Financial Code, "the total amount of assets of *sociétés de crédit foncier* must be greater than the amount of liabilities benefiting from the *Privilège*". Calculation of this coverage ratio is set out in Regulation 99-10 of the *Comité de la Réglementation Bancaire et Financière* (the **CRBF**).

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

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

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

Operating risks linked to information systems

The security of the BNP Paribas group's information systems is managed within BNP Paribas. 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, security of continued operation.

RISK FACTORS RELATING TO THE NOTES

The Notes may not be a suitable investment for all investors

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

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

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

Risks related to the structure of a particular issue of Notes

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

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

Notes subject to optional redemption by the Issuer

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

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

Floating Rate Notes

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

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 Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will 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 of such persons 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.

Potential Conflicts of Interest

The Issuer, the Dealers or their respective affiliates may from time to time advise the issuers of 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 transactions 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 these affiliates and between the interests of the Issuer, the Dealers or these affiliates and the interests of holders of Notes.

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

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

Fixed to Floating Rate Notes

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

Notes issued at a substantial discount or premium

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

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.

Risks related to Notes generally

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

Modification of the Conditions

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 11, and a General Meeting can be held. The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority. The General Meeting may deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 11.

Change of law

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

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, 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.

Savings Directive

On 3 June 2003, the European Union adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the **Savings Directive**). The Savings Directive requires Member States 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 Savings Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) an individual resident in another Member State, except that Belgium, 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.

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. If a withholding tax is imposed on payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

Withholding Taxes – No gross-up obligation

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

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.

Exchange rate risks and exchange controls

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

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

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.

Credit ratings may not reflect all risks

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

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 Dealers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

SUPPLEMENT TO THE BASE PROSPECTUS

In connection with Notes traded on a Regulated Market, if at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 in Luxembourg implementing article 16 of the Prospectus Directive following the occurrence of a significant new factor, material mistake, inaccuracy or omission relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed and admitted to trading on the Luxembourg Stock Exchange or on a Regulated Market of a member state of the European Economic Area, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005.

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

GENERAL DESCRIPTION OF THE PROGRAMME

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

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

Arranger: BNP Paribas.

Dealer: BNP Paribas

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

Description: Euro Medium Term Note Programme for the continuous offer of Notes being *obligations foncières*.

Fiscal Agent and Principal Paying Agent: BNP Paribas Securities Services

Luxembourg Listing Agent: BNP Paribas Securities Services, Luxembourg Branch

Calculation Agent: BNP Paribas Securities Services, Luxembourg Branch, unless the Final Terms provide otherwise.

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

Distribution: The Notes may be distributed by way of private or public placement and in each case issued on a syndicated or non-syndicated basis.

Method of Issue: The Notes will be issued in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and 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 the other Tranches of the same Series) will be set out in the relevant final terms (the **Final Terms**).

Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity from the date of original issue.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s) and set out in the Final Terms. Payments in respect of Notes may, subject to compliance with the aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
Terms of the Notes:	The specific terms of each Tranche (including, without limitations, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.
Specified Denomination(s):	<p>The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the relevant Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note admitted to trading on a Regulated Market within the European Economic Area or offered to the public in a member state of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the date of issue).</p> <p>Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.</p> <p>Dematerialised Notes shall be issued in one denomination only.</p>
Status of Notes – Legal Privilege:	The Notes will constitute direct, unconditional, and privileged obligations of the Issuer. The Notes are issued under articles L.515-13 to L.515-33 of the French <i>Code monétaire et financier</i> (the Monetary and Financial Code). Holders of Notes benefit from the <i>privilege</i> (priority right of payment) over all the assets and revenues of the Issuer as set out under article L.515-19 of the Monetary and Financial Code (for further description of the <i>privilege</i> , see " <i>Privilege relating to the Notes and certain other obligations of the Issuer</i> ").
Negative Pledge:	None.

Events of Default (including Cross Default):	None.
Redemption Amount:	<p>The relevant Final Terms will specify the basis for calculating the redemption amounts payable.</p> <p>Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).</p>
Optional Redemption:	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so the terms applicable to such redemption.
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 arrear 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,

in each case as adjusted for any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both. Interest periods will be specified in the applicable Final Terms.

Zero Coupon Notes: Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.

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. Index Linked Notes will be issued in accordance with the applicable provisions of French law and the Issuer's by-laws (*statuts*) from time to time.

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 from time to time 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 which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in "*Terms and Conditions of the Notes – Redenomination*" below.

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

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

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

Redenomination".

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

Governing Law:	French law.
Clearing Systems:	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).
Initial Delivery of Dematerialised Notes:	No later than one Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
Initial Delivery of Materialised Notes:	On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Taxation:	<p>Payments of interest and other revenues with respect to the Notes (if they constitute <i>obligations</i> or <i>titres de créances négociables</i> under French tax law, or other debt instruments issued under French or foreign law and fiscally considered as <i>obligations</i> or <i>titres de créances négociables</i>) benefit from the tax exemption at source on interest set out under Article 125 A III of the French <i>Code général des impôts</i>, as provided for in Article 131 <i>quater</i> of the French <i>Code général des impôts</i>. Accordingly, such payments do not give the right to any tax credit from any French source.</p> <p>Otherwise, the withholding tax exemption applies if all the conditions provided by Article 131 <i>quater</i> of the French <i>Code général des impôts</i> are met and in particular if each of the subscribers of the Notes is domiciled or resident for tax purposes outside the Republic of France and does not act through a permanent establishment or a fixed base therein.</p> <p>If any law should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts.</p> <p>Investors should carefully review the "<i>Taxation</i>" section of this Base</p>

Prospectus. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes and in particular in Austria, Belgium, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands and/or the United Kingdom (as applicable).

Listing and Admission to Trading:

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Luxembourg Stock Exchange.

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

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

Offer to the public:

The Notes may or may not be offered to the public in Luxembourg and/or in any Member States of the European Economic Area, provided that such offer to the public is made in accordance with the public offer restrictions under the Prospectus Directive (see "*Subscription and Sale*").

Method of publication:

This Base Prospectus, the supplements thereto, if any, and the Final Terms related to Notes admitted to trading will be published, if relevant, on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from BNP Paribas Public Sector SCF, 1 boulevard Haussmann 75009 Paris, France or through any other means in accordance with the terms of article 14 of the Prospectus Directive. Each Final Terms will indicate where the Base Prospectus may be obtained. In addition, if the Notes are listed and admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

Rating:

The Notes to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, AAA by Fitch Ratings and Aaa by Moody's Investors Services, Inc.

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

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

Selling Restrictions:

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

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

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (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) (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.

TERMS AND CONDITIONS OF THE NOTES

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

The Notes are issued by BNP Paribas Public Sector SCF (the **Issuer**) in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder 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 agency agreement dated 9 March 2009, as amended or supplemented from time to time (the **Agency Agreement**) between the Issuer, BNP Paribas Securities Services as fiscal agent and principal paying agent and the other agents named therein. The fiscal agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Fiscal Agent**, the **Paying Agents** (which expression shall include the Fiscal Agent) and the **Calculation Agent(s)**. The holders of the interest coupons (the **Coupons**) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the **Talons**) for further Coupons and the holders of the receipts for the payment of instalments of principal (the **Receipts**) relating to Materialised Notes of which the principal is redeemable in instalments are respectively referred to below as the **Couponholders** and the **Receiptholders**.

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

1. Definitions

Monetary and Financial Code means the French *Code monétaire et financier*.

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

EEA means the European Economic Area.

outstanding means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest

accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in Condition 8, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions.

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

2. Form, Denomination, Title and Redenomination

(a) Form

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

- (i) Title to Dematerialised Notes will be evidenced in accordance with article L.211-3, L.211-4, L.211-16 and R.211-1 of the 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 Monetary and Financial Code will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), 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 dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder in either administered registered dematerialised form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered dematerialised form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the **Registration Agent**).

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

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

In accordance with article L.211-3 of the 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) set out in the relevant Final Terms (the **Specified Denomination(s)**), save that all Notes admitted to trading on a Regulated Market shall have a minimum denomination of €1,000 (or its equivalent in any other currency at the issue date) or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

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

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) Title

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered dematerialised form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered dematerialised form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.
- (ii) Title to Definitive Materialised Notes, including, where appropriate, Receipt(s), Coupons and/or a Talon attached, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon, Receipt or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

(d) Redenomination

The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt or Talon, by giving at least thirty (30) days' notice in accordance with Condition 14 and on or after the date on which the European member state in whose national currency the Notes are denominated has become a participating member state in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the **EC**, as amended from time to time (the **Treaty**)) or events have occurred which have substantially the same effects (in either case, **EMU**), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described in the relevant Final Terms.

3. Conversions and Exchanges of Notes

(a) Dematerialised Notes

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

4. Status

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

5. Privilège

- (a) The Notes benefit from the *Privilège* (priority right of payment) created by article L.515-19 of the Monetary and Financial Code and the Noteholders shall benefit from all the rights set out in article L.515-19 of the Monetary and Financial Code.

- (b) Accordingly, notwithstanding any legal provisions to the contrary (including *Livre 6* of the French Commercial Code (*Code de Commerce*), pursuant to article L.515-19 of the 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 Monetary and Financial Code and forward financial instruments referred to in article L.515-18 of the Monetary and Financial Code (in each case after any applicable netting), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of any sums due in respect of the Notes, together with any other resources raised by the Issuer and benefiting from the *Privilège*;
 - (ii) all amounts due regularly under the Notes, together with 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, including interest resulting from agreements whatever their duration;
 - (iii) until all Noteholders and, together with other creditors benefiting from the *Privilège*, have been fully paid, no other creditor of the Issuer may exercise any right over the assets and rights of the Issuer; and
- (c) the judicial liquidation of the Issuer will not result in the redemption of the Notes.

6. Interest and other Calculations

(a) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below. Certain defined terms contained in the 2001 or 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française (FBF)* (formerly 1994 AFB Master Agreement for Foreign Exchange and Derivatives Transactions as supplemented by the Technical Schedules published by the FBF) (together the **FBF Master Agreement**) and in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (**ISDA**), have either been used or reproduced in this Condition 6.

Business Day means:

- (i) in the case of Euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor thereto (the **TARGET2 System**) is operating (a **TARGET2 Business Day**), and/or
- (ii) in the case of a specified currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or
- (iii) in the case of a specified currency and/or one or more Business Centre(s) specified in the relevant Final Terms (the **Business Centre(s)**), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

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

- (i) if **Actual/365-FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual/365-FBF shall mean the sum of (A) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (B) the fraction whose numerator is the actual number of days elapsed during the leap year and whose denominator is 366;
- (ii) if **Actual/365**, **Actual/Actual** or **Actual/Actual-ISDA** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if **Actual/Actual-ICMA** is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case, where:

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

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

- (iv) if **Actual/365 (Fixed)** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if **Actual/360** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;

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

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (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.

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

FBF Definitions means the definitions set out in the FBF Master Agreement, 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 (a copy of which may be obtained at the registered office of the Issuer during usual business hours), as the case may be.

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

Interest Determination Date means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the

day falling two TARGET2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

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

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

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

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

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

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent with the approval of the Issuer or as specified in the relevant Final Terms.

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

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

Relevant Screen Page means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

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

(b) Interest on Fixed Rate Notes

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

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

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

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the **Floating Rate Business Day Convention**, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the **Following Business Day Convention**, such date shall be postponed to the next day that is a Business Day, (C) the **Modified Following Business Day Convention**, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the **Preceding Business Day Convention**, such date shall be brought forward to the immediately preceding Business Day.

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

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent

as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this subparagraph (A), **FBF Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

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

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

(B) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this subparagraph (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 subparagraph (B), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity**, **Reset Date** and **Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (a) the offered quotation; or
- (b) the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or

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

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

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

or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest 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 and is repayable prior to the Maturity Date or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall, unless otherwise provided in the relevant Final Terms, be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(e)(i)).

(e) 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 6 to the Relevant Date.

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

(i) If any Margin is specified in the relevant Final Terms (either (x) generally or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all

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

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

(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 shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition

6(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(k) Calculation Agent

The Issuer shall use its best efforts to procure that there shall at all times one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 1). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris or Luxembourg office, as appropriate, or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 14.

7. Redemption, Purchase and Options

(a) Final Redemption

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

(b) Redemption by Instalments

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

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

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

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

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

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with article R.213-16 of the 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 the Regulated Market of the Luxembourg Stock Exchange and the rules of such Stock Exchange so permit, on the website of the Luxembourg Stock Exchange (www.bourse.lu) or (ii) in a leading 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 the Regulated Market of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

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

If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem

such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

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

(e) Early Redemption

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(f) or 7(g) shall be the Amortised Nominal Amount (calculated as provided below) of such Note 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 (the **Amortised Nominal Amount**) shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the amortisation yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) (the **Amortisation Yield**) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(f) or 7(g) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 6(d).

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

(ii) Other Notes

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

(f) No Redemption for Taxation Reasons

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

(g) Illegality

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

(h) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 7 and the provisions specified in the relevant Final Terms.

(i) Purchases

The Issuer shall have the right at all times to 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.

(j) Cancellation

All Notes purchased by or on behalf of the Issuer must 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.

8. Payments and Talons

(a) Dematerialised Notes

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (ii) in the case of Dematerialised Notes in fully registered dematerialised form, to an account denominated in the relevant currency with a Bank (as defined in Condition 8(h)) designated by the relevant holder of Notes. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) Definitive Materialised Notes

(i) Method of payment

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

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

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

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

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

Fixed Rate Notes in definitive form (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 ten (10) years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five (5) years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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

Upon the date on which any Floating Rate Note, 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 Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives but without prejudice to Condition 9. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

(e) Appointment of Agents

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

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

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

(f) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).

(g) Business Days for Payment

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day 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 TARGET2 Business Day.

(h) Bank

For the purpose of this Condition 8, **Bank** means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET2 System.

9. Taxation

(a) *French withholding tax exemption*

Payments of interest and other revenues with respect to the Notes (if they constitute *obligations* or *titres de créances négociables* under French tax law, or other debt instruments issued under French or foreign law and fiscally considered as obligations or titres de créances négociables) benefit from the tax exemption at source on interest set out under Article 125 A III of the French *Code général des impôts*, as provided for in Article 131 *quater* of the French *Code général des impôts*. Accordingly, such payments do not give the right to any tax credit from any French source.

Otherwise, the withholding tax exemption applies if all the conditions provided by Article 131 *quater* of the French *Code général des impôts* are met and in particular if each of the subscribers of the Notes is domiciled or resident for tax purposes outside the Republic of France and does not act through a permanent establishment or a fixed base therein.

(b) *No Additional Amounts*

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

10. Prescription

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

11. Representation of Noteholders

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 (*Code de commerce*) with the exception of articles L.228-48, L.228-59, L.228-71, L.228-80, R.228-63, R.228-67, R.228-69 and R.228-83 of such code, subject to the following provisions:

(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) Representatives

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

- (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 directly 10% or more of the share capital of the Issuer or companies having 10% 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 names and addresses of the initial Representative and its alternate will be set out in the Final Terms. The Representative appointed in respect of the each Tranche of each Series of Notes will be BNP Paribas Securities Services (unless otherwise specified in the relevant Final Terms):

BNP Paribas Securities Services

Global Corporate Trust
Immeuble Tolbiac
25, quai Panhard et Levassor
750013 Paris

represented by Mr. Pascal POMMIER, Head of Global Corporate Trust department of BNP Paribas Securities Services.

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

The alternate Representative will be Mr. Jean-Pierre PASQUIER, domiciled 25 avenue de Verdun, 94000 Créteil, France.

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

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

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(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 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 holders of the Notes) of the Issuer benefiting from the *Privilège*.

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

(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, 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 (*Code de commerce*), the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at zero hours, Paris time.

(e) Powers of the General Meetings

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

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights

in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase 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 offices of any of the Paying Agents 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 holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

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

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

13. Further Issues and Consolidation

(a) Further Issues

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 as to the first payment of interest) and that the terms of such Notes provide for such assimilation, and references in these Conditions to **Notes** shall be construed accordingly.

(b) Consolidation

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 dematerialised form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or (ii) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or, so long as such Notes are admitted to trading on any Regulated Market(s), in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading is located, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort*, or (iii) so long as such Notes are admitted to trading on the Official List of the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).
- (b)** Notices to the holders of Materialised Notes and Dematerialised Notes in bearer dematerialised form (*au porteur*) shall be valid if published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (i) so long as such Notes are admitted to trading on any Regulated Market(s), in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading is located, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort*, or (ii) so long as such Notes are admitted to trading on the Official List of the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).
- (c)** Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer dematerialised form) (*au porteur* or *au nominatif*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a) and (b)

above; provided that (i) so long as such Notes are admitted to trading on any Regulated Market(s) and the rules of that Regulated Market so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading is located, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort*, or (ii) so long as such Notes are admitted to trading on the Official List of the Luxembourg Stock Exchange, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 shall also be published in a leading newspaper with general circulation in Europe.

- (d) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any notice given by publication shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

15. Limited recourse; non petition

- (a) By subscribing to any Note, each Noteholder will be automatically deemed to have expressly and irrevocably waived:
- (i) any contractual claim or action (*action en responsabilité contractuelle*) (of any nature, and on any ground whatsoever) it may have against the Issuer or against any of its assets and any action for payment of any sum which is not expressed as being payable to it by the Issuer under the Notes and these Conditions;
 - (ii) without prejudice to paragraph (b) below, any claim it may have (A) against the Issuer or against any of its assets for sums in excess of the amount of the assets of the Issuer which are available for making payment on such date subject to the rights of any creditor benefiting from the privilege set out in article L.515-19 of the Monetary and Financial Code and (B) against any asset of the Issuer which are subject to the privilege set out in article L.515-19 of the Monetary and Financial Code;
 - (iii) any right to institute any legal proceedings, take other steps or institute other proceedings against the Issuer, the purpose of which is the appointment of a conciliator or an *ad hoc* agent, or the opening of receivership proceedings or insolvency or bankruptcy proceedings (*sauvegarde, redressement or liquidation judiciaires*) or any other similar proceedings in any relevant jurisdiction until the expiry of a period of 12 months after the redemption of all notes and liabilities of the Issuer benefiting from the privilege set out in article L.515-19 of the Monetary and Financial Code.
- (b) The provisions of paragraph (a)(ii) above shall not prejudice the rights of the Noteholders with respect to the payment of any claim benefiting from the privilege set out in article L.515-19 of the Monetary and Financial Code.

16. Governing Law and Jurisdiction

(a) Governing Law

The Notes, Receipts, Coupons and Talons are governed by, and shall be construed in accordance with, French law.

(b) Jurisdiction

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

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

Pursuant to Article L.515-19 of the Monetary and Financial Code, notwithstanding any legislative provisions to the contrary and in particular the provisions included in the French Commercial Code (*Code de commerce*) relating to the prevention and conciliation of business difficulties and to the judicial administration and liquidation of companies,

- (i) the sums resulting from the loans, assimilated receivables, exposures and securities as referred to in articles L.515-14 to L.515-17 of the Monetary and Financial Code and from the financial instruments used for hedging as referred to in article L.515-18 of the Monetary and Financial Code, (in each case after any applicable netting), together with the claims in respect of deposits made by a *société de credit foncier* (i.e. the issuer of *obligations foncières*) with credit institutions, are allocated in priority to the payment of any sums due in relation to the *obligations foncières*, to other resources benefiting from the *Privilège* as mentioned in article L.515-13 of the Monetary and Financial Code and to derivative transaction used for hedging, under the condition of article L.515-18 of the Monetary and Financial Code;
- (ii) when a *société de credit foncier* is subject to bankruptcy proceedings (*procedure de redressement ou liquidation judiciaires*) or to conciliation proceedings with its creditors (*procédure de conciliation*), the amounts due regularly from the operations referred to in article L.515-13 of the 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 credit foncier* may exercise any right over the assets and rights of such *société* until all creditors benefiting from the *Privilège* as defined in article L.515-19 of the Monetary and Financial Code have been fully paid off; and
- (iii) the judicial liquidation of a *société de credit foncier* will not result in the acceleration of payment of *obligations foncières* and other debts benefiting from the *Privilège*.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

Temporary Global Certificates

A Temporary Global Certificate without interest coupons (a **Temporary Global Certificate**) will initially be issued in connection with each Tranche of Materialised Notes, which will be delivered on or prior to the issue date of the Tranche with a common depositary (the **Common Depositary**) for Euroclear Bank S.A./N.V. (**Euroclear**) and for Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**). Upon the delivery of such Temporary Global Certificate with a Common 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) as to non-U.S. beneficial ownership for Definitive Materialised Notes.

Delivery of Definitive Materialised Notes

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

Exchange Date

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

Issuer, be postponed to the day falling after the expiry of 40 days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 365 days (and that are not relying on the TEFRA C Rules), the 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.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for financing or refinancing the Cover Pool Assets.

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

Entities entitled to issue *Obligations Foncières*

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

- articles L.515-13 to L.515-33 of the Monetary and Financial Code (which is amended from time to time, lately by the *Ordonnance* no. 2009-15 of 8 January 2009);
- articles R.515-2 to R.515-9, D.515-10 to D.515-11, and R.515-12 to R.515-14 of the 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*, **CRBF**) (the **CRBF Regulation**);
- regulation (*instruction*) no. 2008-05 issued by the Banking Commission (*Commission Bancaire*).

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

Eligible assets

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

- (i) secured loans which include loans which are secured by a first-ranking mortgage or other real estate security interests that are equivalent to a first-ranking mortgage or loans that are guaranteed by a credit institution or an insurance company that does not belong to the same group as the relevant SCF. The property must be located in France or in any other member state of the EC or European Economic Area (EEA) or in a State benefiting from the highest level of credit quality (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Commission bancaire*;
- (ii) exposures to public entities such as the central administrative bodies, central banks, public institutions, territorial authorities or groups thereof, of a state which is a member of the European Community, the EEA, the United States, Switzerland, Japan, Canada, Australia or New Zealand (article L.515-15 of the Monetary and Financial Code) or other public entities referred to in article L.515-15 of the Monetary and Financial Code;
- (iii) units or notes (other than subordinated units or subordinated notes) issued by *Organismes de Titrisation*, which are French securitisation vehicles, or other similar vehicles governed by the laws of a member state of the European Community or EEA, the assets of which shall comprise at least 90% of secured loans or exposures to public entities or other receivables benefiting from the same level of guarantees; and

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

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

Over-Collateralisation

An SCF must at all times maintain an over-collateralisation ratio between its assets and its liabilities benefiting from the *privilège*. In particular, pursuant to article L.515-20 of the Monetary and Financial Code and article 6 of the CRBF Regulation, an SCF must at all times maintain a ratio of at least 100% as between its assets and the total amount of its liabilities benefiting from the *privilège*.

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

Privilège

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

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

Insolvency remoteness

Article L.515-27 of the Monetary and Financial Code precludes the extension of insolvency proceedings in respect of the SCF's parent company to the SCF.

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

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

DESCRIPTION OF THE ISSUER

Incorporation, duration and registered office

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

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

The Issuer is a member of the BNP Paribas group.

Share capital

The Issuer's share capital as at 1st January 2009 amounted to €24,040,000 divided into 2,404,000 fully paid-up ordinary shares of €10. At the date of the Base Prospectus, 99.99% of this share capital is owned by BNP Paribas and the remainder by the members of the *conseil d'administration* of the Issuer who each hold one share of the Issuer's share capital.

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

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

"Paris, 16 January 2009

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

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

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

BNP Paribas

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

Original text in French:

"Paris, le 16 janvier 2009

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

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

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

BNP Paribas

M. Georges Chodron de Courcel, Directeur Général Délégué"

Issuer's corporate purpose

In accordance with article L.515-13 of the 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 both in France and abroad is:

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

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

- concerning its liabilities, use all the resources to which the *société de crédit foncier* is entitled in accordance under articles L.515-3 et seq. and R.515-2 et seq. of the Monetary and Financial Code (or any laws or regulations supplementing or replacing such provisions and applicable to *sociétés de crédit foncier*), which includes the issuance of

obligations foncières benefiting from the privilege (*privilège*) mentioned in article L.515-19 of the Monetary and Financial Code;

- in the context of achieving its corporate purpose, conduct all financial and banking transactions and conclude the necessary contracts, participate in any interbank settlement system, in any settlement-delivery system for financial instruments and all operations within the framework of the monetary policy of the European Central Bank and more generally, all operations related to its business or contributing to achieve its corporate purpose, when such operations comply with the purpose of the *sociétés de crédit foncier* under articles L.515-3 et seq. and R.515-2 et seq. of the Monetary and Financial Code (or any laws or regulations supplementing or replacing such provisions and applicable to *sociétés de crédit foncier*).

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

Business overview

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

The assets of the Issuer will therefore comprise exposures to, or guaranteed by, public sector entities as defined in article L.515-15 of the Monetary and Financial Code, and any eligible securities or other assets treated as similar (*assimilés à*) by the then applicable laws and regulations relating to *sociétés de crédit foncier*, to the exposures referred to in article L.515-15 of the Monetary and Financial Code, such as without limitation, units or notes (other than the subordinated units or subordinated notes) issued by an *Organisme de Titrisation* or any other similar foreign entities complying with the provisions of article L.515-16 of the Monetary and Financial Code.

The vast majority of these assets comes from the commercial financing activities of BNP Paribas group entities. When new assets are transferred or allocated to the Issuer's balance sheet, eligibility is verified (including by the Specific Controller) for both French and non-French assets.

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

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

The *obligations foncières* are expected to be rated AAA by Standard & Poor's Rating Services, AAA by Fitch Ratings and Aaa by Moody's Investors Services, Inc and to be listed on the Luxembourg stock exchange.

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

Pursuant to article L.515-20 of the Monetary and Financial Code, the total amount of the assets of the Issuer must be greater than the amount of the liabilities benefiting from the *privilege* described in the section entitled "*Privilege relating to the Notes and certain other obligations of the Issuer*".

Subsidiaries

According to article L.515-17 of the 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 eight members, including BNP Paribas, has full powers to act in all circumstances on behalf of the Issuer within the limits set by its internal rules and the by-laws (*Statuts*) of the Issuer and subject to the powers expressly conferred by the French Commercial Code (*Code de commerce*) on shareholders in general meetings.

The Chairman of the Board, who is also Chief Financial Officer of BNP Paribas S.A. Retail Banking Emerging Markets department, organises and directs the work of the board of directors, of which he shall give an account to the shareholders' meeting, ensures that the governing bodies of the Issuer operate properly, and that the directors are able to perform their duties.

The management of the Issuer consists of the Chairman of the Board as Chief Executive Officer and one Deputy Chief Executive Officer to assist him. 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
Alain FONTENEAU	9, rue le Peletier, 75009 Paris, France	Chairman of the Board and Chief Executive Officer	Chief Financial Officer of the Emerging Markets department of BNP Paribas Retail Banking.
Valérie BRUNERIE	3, rue d'Antin, 75002 Paris, France	Deputy Chief Executive Officer	Head of Funding and Securitisation team within the Asset and Liability Management department of BNP Paribas CIB.

Florence FAVIER	37, place du Marché Saint Honoré, 75001 Paris, France	Director	Senior Project Manager within the Strategy and Business Development – Export Finance department of BNP Paribas CIB.
Véronique FLOXOLI	3, rue d'Antin, 75002 Paris, France	Director	Member of the Funding – Mid and Long Term and Securitisation team within the Asset and Liability Management department of BNP Paribas CIB.
Laurent CHOURAKI	3, rue d'Antin, 75002 Paris, France	Director	Chief Operating Officer – Head of Information Technology and Operations of BNP Paribas CIB.
Bertrand D'HEUCQUEVILLE	16, place de Hanovre, 75001 Paris, France	Director	Head of Aviation Finance EMEA within the Aviation Finance – Asset Finance department of BNP Paribas CIB.
BNP Paribas represented by: Clément REBERIOUX	16, boulevard des Italiens, 75009 Paris, France	Director	Member of the Funding – Mid and Long Term and Securitisation team within the Asset and Liability Management department of BNP Paribas CIB.
Jean-Gil SABY	1-3, rue Louis Le Grand, 75002 Paris, France	Director	Head of Budget Management division within the Group Development and Finance department of BNP Paribas.

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

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

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

The Audit Committee is consulted and formulates opinions on the evolution of the methods of control of the General Inspection. It is consulted on the program of inspection and can decide all other controls which it considers necessary. It is empowered to require any action to restore or reinforce the financial balance and to correct, if necessary, the methods of management of every affiliate company. Moreover, the Audit Committee may act in an advisory capacity within the network's procedures and disciplinary actions.

Staff

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

Compliance with the corporate governance regulations

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

Membership of professional organisation

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

Independent Auditors

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

Furthermore, the Issuer has appointed, in accordance with articles L.515-30 to L.515-31 of the 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 Bank Commission (*Commission Bancaire*).

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

**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES,
FINANCIAL POSITION AND PROFITS AND LOSSES**

I. ENGLISH TRANSLATION OF THE FINANCIAL STATEMENTS AND REPORT OF THE
STATUTORY AUDITORS THEREON FOR THE YEAR ENDED 31 DECEMBER 2008

This English translation is for information only and cannot be binding in any case for any person.

A. BALANCE SHEET AS AT 31 DECEMBER 2008

ASSETS

		Euros		
		31/12/2008		31/12/2007
		Gross	Deprec. prov.	Net
		Net		
	Total 0			
FIXED ASSETS				
Intangible fixed assets				
	Subscribed uncalled capital			
	Research and development costs			
	Concessions, patents, licences, trademarks, processes, software rights and similar assets			
	Goodwill			
	Other			
	Intangible fixed assets in progress			
	Advances and payments on account			
Tangible fixed assets				
	Land			
	Buildings			
	Technical installations, plant and machinery, equipment and fixtures			
	Other			
	Tangible fixed assets in progress			
	Advances and payments on account			
Financial fixed assets				
	Subsidiaries and participating interests			
	Debts receivable relating to participating interests			
	Portfolio long-term investment securities			
	Debts receivable relating to portfolio long-term investment securities			
	Other long-term investment securities			
	Debts receivable relating to other long- term investment securities			
	Loans			
	Other financial fixed assets			
	Total I			

31/12/2008			31/12/2007
Gross	Deprec. prov.	Net	Net

CURRENT ASSETS				
Inventory and work-in-progress				
Raw materials and other consumables				
Work-in-progress (goods and services)				
Semi-finished and finished products				
Goods for resale				
Advances and payments on account on orders				
Debts receivable				
Trade debtors and related accounts				
Other				
Subscribed share capital – called but not paid				
Short-term investment securities				
Own shares				
Other securities				
Short-term financial instruments				
Liquid assets	23,995,426.51		23,995,426.51	1,993.00
Prepayments				
Total II	23,995,426.51		23,995,426.51	1,993.00
Charges to be spread over several financial years				
Total III				
Loan redemption premiums				
Assets translation adjustment				
Total V				
OVERALL TOTAL (0 to V)	23,995,426.51		23,995,426.51	1,993.00

LIABILITIES

Euros

31/12/2008	31/12/2007
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CAPITAL AND RESERVES		
Share capital	24,040,000.00	40,000.00
Premiums on shares issued, mergers and contributions...		
Revaluation reserve		
Equity accounted reserve		
Reserves :		
- Legal reserve		
- Statutory or contractual reserves		
- Tax-regulated reserves		
- Other		
Profit or loss carried forward	(39,926.49)	(27,428.46)
Profit or loss for the financial year	(6,600.43)	(12,498.03)
Interim dividend		
Investment grants		
Tax-regulated provisions		
Total I	23,993,473.08	73.51

	31/12/2008	31/12/2007
PROVISIONS FOR LIABILITIES AND CHARGES		
Provisions for liabilities		
Provisions for charges		
Total II		
DEBTS PAYABLE		
Convertible debenture loans		
Other debenture loans		
Loans and debts payable to credit institutions		
Loans and sundry financial debts payable		
Payments on account received on orders in progress		
Trade creditors and related accounts		
Tax and social security debts payable		
Creditors for fixed assets and related accounts		
Other debts payable	1,953.43	1,919.49
Short-term financial instruments		
Deferred income		
Total III	1,953.43	1,919.49
Liabilities translation adjustment		
Total IV		
OVERALL TOTAL (I to IV)	23,995,426.51	1,993.00

B. INCOME STATEMENT AS AT 31 DECEMBER 2008

	Euros	
	31/12/2008	31/12/2007
Operating income		
Sales of goods for resale		
Production sold (goods and services)		
Product stocks		
Own work capitalised		
Provisions (and depreciation) written back, charges transferred		
Other income		1.03
Total I	0.00	1.03
Operating charges		
Purchases of goods for resale		
Changes in stocks of goods for resale		
Purchases of raw materials and other consumables		
Changes in stocks of consumables		
Other purchases and external charges	(6,565.05)	(7,702.27)
Taxes, levies and similar payments		(4,947.00)
Salary and wages		
Social security costs		
Appropriations to depreciation and provisions		
Fixed assets : appropriations to depreciation		
Fixed assets : appropriations to provisions		
Current assets : appropriations to provisions		
Liabilities and charges: appropriations to provisions		
Other charges		
Total II	(6,565.05)	(12,649.27)

	31/12/2008	31/12/2007
1. OPERATING PROFIT OR LOSS (I – II)	(6,565.05)	(12,648.24)
Share of joint venture profit or loss		
Profit or loss transferred III		
Loss or profit transferred IV		
Financial income		
Participating interests		
Other financial fixed asset securities and debts receivable		
Other interest and similar income		
Provisions written back and financial charges transferred		
Currency exchange gains		
Net income on realisation of short-term investment securities		165.86
Total V	0.00	165.86
Financial charges		
Appropriations to depreciation and provisions		
Interest and similar charges	(35.38)	(15.65)
Currency exchange losses		
Net charges on realisation of short-term investment securities		
Total VI	(35.38)	(15.65)
2. FINANCIAL PROFIT OR LOSS (V - VI)	(35.38)	150.21
3. PROFIT OR LOSS ON ORDINARY ACTIVITIES before tax (I-II+III-IV+V-VI)	(6,600.43)	(12,498.03)
Extraordinary income		
Operating transactions		
Capital transactions		
Provisions written back and charges transferred		
Total VII	0.00	0.00
Extraordinary charges		
Operating transactions		
Capital transactions		
Appropriations to depreciation and provisions		
Total VIII	0.00	0.00
4. EXTRAORDINARY PROFIT OR LOSS (VII - VIII)	0.00	0.00
Employee profit share (IX)		
Tax on profits (X)		
Total income (I+III+V+VII)		166.89
Total charges (II+IV+VI+VIII+IX+X)	(6,600.43)	(12,664.92)
PROFIT OR LOSS	(6,600.43)	(12,498.03)

	Euros	
DETAILS OF ASSETS	31/12/2008	31/12/2007
CURRENT ASSETS		
DEBTS RECEIVABLE		
<i>Ordinary debit accounts</i>		
BNP Paribas Agence des Banques	23,995,426.51	1,993.00
Cash assets	23,995,426.51	1,993.00
TOTAL ASSETS	23,995,426.51	1,993.00

Euros		
DETAILS OF LIABILITIES	31/12/2008	31/12/2007
CAPITAL AND RESERVES		
Share capital	24,040,000.00	40,000.00
Profit or loss carried forward	(39,926.49)	(27,428.46)
Profit or loss for the financial year	(6,600.43)	(12,498.03)
DEBTS PAYABLE		
<i>Other charges payable</i>		
Miscellaneous charges payable	2.94	
Auditors fees	1,950.49	1,919.49
Other debts payable	1,953.43	1,919.49
TOTAL LIABILITIES	23,995,426.51	1,993.00

Euros		
OPERATING PROFIT OR LOSS	31/12/2008	31/12/2007
OPERATING INCOME		
Miscellaneous income from ordinary management activities		
- Miscellaneous income		1.03
Other income from ordinary management activities		1.03
OPERATING CHARGES		
Intermediaries' remuneration and professional fees		
- Professional fees		
- Auditors' fees	(1,950.58)	(1,919.49)
- Documentary and litigation charges	(76.15)	(624.06)
- Miscellaneous		
- BNP technical assistance	(4,508.92)	(4,425.20)
- Placing advertisements		(620.60)
Banking and similar services		
- Other service provider charges and fees	(29.40)	(112.92)
Other purchases and external charges	(6,565.05)	(7,702.27)
Other taxes, levies and similar payments (tax administration)		
- Prorata non-recoverable VAT		(4,947.00)
Taxes, levies and similar payments		(4,947.00)

Euros		
FINANCIAL PROFIT OR LOSS	31/12/2008	31/12/2007
FINANCIAL INCOME		
Gains on realisation of investment securities		165.86
Net income on sale of investment securities		165.86
FINANCIAL CHARGES		
Credit interest on current and deposit accounts	(35.38)	(15.65)
Interest and similar charges	(35.38)	(15.65)

C. NOTES ON THE BALANCE SHEET AND INCOME STATEMENT

(The figures shown are in thousands of Euros)

I – Characteristics of the financial period

The financial period is of twelve months duration commencing on 1st January and ending on 31 December 2008.

The shareholders general meeting of 17 November 2008, passed a resolution to change the company name of Bergère Participation 4 to BNP Paribas Public Sector SCF. It also decided to increase the share capital from €40,000 to €24,040,000 by creating 2,400,000 new shares with a par value of €10 each.

This operation took place in negotiation with the Credit Institutions and Investment Firms Committee (CECEI) and the Banking Commission in relation to the conduct of property financing activities for which BNP Paribas Public Sector SCF has requested approval.

II – Accounting principles, rules and methods

The financial statements for the financial year ending 31/12/2008 were prepared in accordance with accounting principles and in accordance with generally accepted rules for the preparation and presentation of annual financial statements.

The method used for valuing items posted in the accounts is the historical cost method.

Analysis of maturity of debts receivable and debts payable at year-end

		Euros		
DEBTS RECEIVABLE (a) DEBTS PAYABLE (b)	Gross amount	Liquidity and Maturity		
		Due within one year	Due after 1 year	Due after five years
Debts receivable relating to fixed assets				
Debts receivable and interest relating to participating interests				
Debts receivable relating to portfolio long-term investment securities				
Loans				
Other				
Debts receivable relating to current assets				
Trade debtors and related accounts				
Other				
Subscribed share capital – called but not paid				
Prepayments				
TOTAL DEBTS RECEIVABLE				
Convertible debenture loans				
Other debenture loans				
Loans and debts payable to credit institutions:				
- with initial maturity of one year maximum				
- with initial maturity of over one year				
Loans and sundry financial debts payable				
Trade creditors and related accounts				
Tax and social security debts payable				
Creditors for fixed assets and related accounts				
Other debts payable	1,953	1,953		
Deferred income				
TOTAL DEBTS PAYABLE	1,953	1,953		
(a)	<i>Not including advances and payments on account paid on orders</i>			
(b)	<i>Not including advances and payments on account received on orders</i>			

Charges payable

Euros	
DEBTS PAYABLE	Amount
Other debts payable	1 953

Changes in capital and reserves

Euros				
Items	At opening	Increase of item	Decrease of item	At year-end
Share capital	40,000	24,000,000		24,040,000
Premiums on shares issued, mergers and contributions				
Revaluation reserve				
- Legal reserve				
- Statutory and contractual reserves				
- Tax-regulated reserves				
- Other reserves				
Profit or loss carried forward	-27,428	-12,498		-39,926
Profit or loss for the financial year	-12,498	-6,600	12,498	-6,600
Interim dividend				
Sub-total : net position	74	23,980,902	12,498	23,993,473
Investment grants				
Tax-regulated provisions				
Total capital and reserves	74	23,980,902	12 498	23,993,473

Share capital structure

	Number of securities				Par value
	At opening of the financial year	Created during the financial year	Redeemed during the financial year	At financial year end	
Ordinary shares	4,000	2,400,000		2,404,000	10 €
Redeemed shares					
Non-voting priority dividend shares					
Preference shares					
Ownership units					
Investment certificates					

Connected companies items

(Companies likely to be included by global integration within a consolidated group)

Euros	
	Amount
Intangible assets:	
- Advances and payments on account	
Tangible assets :	
- Advances and payments on account	
Financial fixed assets :	
- Participating interests	
- Debts receivable relating to participating interests	
- Loans	
Advances and payments on account paid on orders	

	Amount
Debts receivable :	
- Trade debtors and related accounts	
- Other debts receivable	
- Subscribed share capital, called but not paid	
Investment securities	
Cash assets	23,995,427
Debts payable:	
- Convertible debenture loans	
- Other debenture loans	
- Loans and debts payable to credit institutions	
- Loans and sundry financial debts payable	
- Payments on account received on orders in progress	
- Trade creditors and related accounts	
- Creditors for fixed assets and related accounts	
- Other debts payable	
Financial charges	
- Interest and similar expenses	
Financial income	
- Income from participating interests	
- Income from debts receivable	
- Interest	

III - Other information

Tax integration

The company has been included in the scope of the tax integration agreement since 01/01/2001. The parent company is BNP PARIBAS.

Regarding corporation tax, in accordance with the tax integration agreement, the tax owed is calculated by the subsidiary, as if there were no tax integration. The amount calculated, having deducted any tax credits, is payable to the parent company, BNP PARIBAS SA.

Five year financial summary

	Euros				
Item	31/12/2004	31/12/2005	31/12/2006	31/12/2007	31/12/2008
Capital at financial year end					
Share capital	40,000	40,000	40,000	40,000	24,040,000
Number of existing ordinary shares	4,000	4,000	4,000	4,000	2,404,000
Number of existing priority dividend shares (without voting rights)					
Maximum number of shares to be created:					
- by conversion of bonds					
- by exercise of subscription rights					
Results of operations for the year					
Turnover (Excl. VAT)					
Earnings before taxes and charges (depreciation, amortisation and provisions)	- 5,625	- 5,509	- 5,941	- 12,498	- 6,600
Tax on profits					
Employee profit share due for the financial year					
Earnings after taxes and charges (depreciation,	- 5,625	- 5,509	- 5,941	- 12,498	- 6,600

Item	31/12/2004	31/12/2005	31/12/2006	31/12/2007	31/12/2008
amortisation and provisions)					
Distributed profits					
Earnings per share in Euros					
Earnings after taxes, but before charges (depreciation, amortisation and provisions)	- 1.41	- 1.38	- 1.49	- 3.12	- 0.00
Earnings after taxes and charges (depreciation, amortisation and provisions)	- 1.41	- 1.38	- 1.49	- 3.12	- 0.00
Dividend payable on each share					
Headcount					
Average employee headcount during the financial year					
Amount of the payroll for the financial year					
Amounts paid with respect to welfare benefits (social security, pro bono work, etc.)					

D. CASH FLOW STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2007 AND 31 DECEMBER 2008

(in Euros)	2007	2008
Pre-tax	- 12,498	- 6,600
(!)+/- Net appropriations to depreciation of tangible and intangible assets		
(!)- Depreciation of goodwill and other fixed assets		
(!)= Net appropriations to provisions		
(!) +/- Portion of profits relating to affiliate companies		
(!) +/- Net loss/net gain from investment activities (1)		
(!) (Income)/charges from financing activities (1)		
(!) +/- Other transactions	4,841	34
<i>(!) = Total non-monetary items included in net pre-tax profit and other adjustments</i>	4,841	34
(+/- Cash flow relating to transactions with credit institutions (*)		
(+/-Cash flow relating to transactions with customers (*)		
(+/-Cash flow from other transactions relating to financial assets or liabilities (*)		
(+/-Cash flow from other transactions relating to non-financial assets or liabilities		
(!) – Taxes paid		
<i>(!) = Net decrease /(increase) of assets and liabilities from operating activities</i>	-	-
<u>Total net cash flow from operating activities (A)</u>	- 7,657	- 6,566
(+/- Cash flow relating to financial assets and participating interests (*)		
(+/-Cash flow relating to investment property (*)		
(+/-Cash flow relating to tangible and intangible assets (*)		
<u>Total net cash flow from investment activities (B)</u>	-	-
(+/- Cash flow derived from or intended for shareholders (*)		
(+/- Other net cash flow from financing activities (*)		24,000,000
<u>Total net cash flow relating to financing activities (C)</u>	-	24,000,000
<u>Effect of exchange rate variations on cash and cash equivalents (D)</u>	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	- 7,657	23,993,434
Net cash flow from operating activities (A)	- 7,657	- 6,566
Net cash flow relating to investment activities (B)	-	-
Net cash flow relating to financing activities (C)	-	24,000,000
Effect of exchange rate variations on cash and cash equivalents (D)	-	-

(in Euros)	2007	2008
Cash and cash equivalents at opening	9,650	1,993
Cash, central banks, post office checking accounts (assets and liabilities)		
Demand deposit accounts (assets and liabilities) and loans/borrowings with credit institutions	9,650	1,993
Cash and cash equivalents at year-end	1,993	23,995,427
Cash, central banks, post office checking accounts (assets and liabilities)		
Demand deposit accounts (assets and liabilities) and loans/borrowings with credit institutions	1,993	23,995,427
Changes in net cash	- 7,657	23,993,434

Explanatory note

The cash flow statement for the year ended December 31, 2008 has been prepared on the basis of the audited financial statements for the financial years ended December 31, 2007 and December 31, 2008. These financial statements were prepared in accordance with accounting principals applicable in France.

The cash flow statement has been prepared using the indirect method.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

E. GENERAL REPORT OF THE STATUTORY AUDITORS

BNP PARIBAS PUBLIC SECTOR SCF

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether qualified or not, which is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial Statements – Year ended 31 December 2008

To the Shareholders of BNP PARIBAS PUBLIC SECTOR SCF

In compliance with the assignment entrusted to us by your Shareholders' annual general meeting, we hereby report to you, for the year ended December 31, 2008, on:

- the audit of the accompanying financial statements of BNP PARIBAS PUBLIC SECTOR SCF,
- the justification of our assessments,
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities as at 31 December 2008, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

II - Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that the assessments we made concerned the appropriateness of the accounting principles.

The assessments were made in the context of the performance of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of our unqualified audit opinion expressed in the first part of this report.

III - Specific verifications and information

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding:

- the fair presentation and the conformity with the financial statements of the information given in the Directors' report, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.
- the fair presentation of information provided in the Directors' report in respect of remuneration and benefits granted to certain corporate officers and any other commitments made in their favour in connection with, or subsequent to, their appointment, termination or change in function. We draw your attention to the reasons, presented in the Directors' report, explaining that your company does not provide information relating remuneration and benefits granted by the controlling entity to corporate officers of your company who are not also corporate officers of the controlling entity.

Neuilly sur Seine and Courbevoie; 4 February 2009

The statutory auditors

PricewaterhouseCoopers Audit

Mazars

Patrice Morot

Hervé Hélias

II. ENGLISH TRANSLATION OF THE FINANCIAL STATEMENTS AND REPORT OF THE STATUTORY AUDITORS THEREON FOR THE YEAR ENDED 31 DECEMBER 2007

This English translation is for information only and cannot be binding in any case for any person.

A. BALANCE SHEET AS AT 31 DECEMBER 2007

ASSETS

				Euros	
		31/12/2007		31/12/2006	
		Gross	Deprec. prov.	Net	Net
Subscribed uncalled capital	Total 0				
FIXED ASSETS					
Intangible fixed assets					
Research and development costs					
Concessions, patents, licences, trademarks, processes, software rights and similar assets					
Goodwill					
Other					
Intangible fixed assets in progress					
Advances and payments on account					
Tangible fixed assets					
Land					
Buildings					
Technical installations, plant and machinery, equipment and fixtures					
Other					
Tangible fixed assets in progress					
Advances and payments on account					
Financial fixed assets					
Subsidiaries and participating interests					
Debts receivable relating to participating interests					
Portfolio long-term investment securities (PLIS)					
Debts receivable relating to PLIS					
Other long-term investment securities					
Debts receivable relating to other long-term investment securities					
Loans					
Other financial fixed assets					
	Total I				
CURRENT ASSETS					
Inventory and work-in-progress					
Raw materials and other consumables					
Work-in-progress (goods and services)					
Semi-finished and finished products					
Goods for resale					
Advances and payments on account on orders					
Debts receivable					
Trade debtors and related accounts					
Other					4,805.00
Subscribed share capital – called but not paid					

	31/12/2007			31/12/2006
	Gross	Deprec. prov.	Net	Net
Short-term investment securities				
Own shares				
Other securities				8,233.68
Short-term financial instruments				
Liquid assets	1,993.00		1,993.00	1,416.56
Prepayments				
Total II	1,993.00		1,993.00	14,455.24
Charges to be spread over several financial years				
Total III				
Loan redemption premiums				
Total IV				
Assets translation adjustment				
Total V				
OVERALL TOTAL (0 to V)	1,993.00		1,993.00	14,455.24

LIABILITIES

Euros

	31/12/2007	31/12/2006
CAPITAL AND RESERVES		
Share capital	40,000.00	40,000.00
Premiums on shares issued, mergers and contributions...		
Revaluation reserve		
Equity accounted reserve		
Reserves :		
- Legal reserve		
- Statutory or contractual reserves		
- Tax-regulated reserves		
- Other		
Profit or loss carried forward	(27,428.46)	(21,487.51)
Profit or loss for the financial year	(12,498.03)	(5,940.95)
Interim dividend		
Investment grants		
Tax-regulated provisions		
Total I	73.51	12,571.54
PROVISION FOR LIABILITIES AND CHARGES		
Provision for liabilities		
Provision for charges		
Total II		
DEBTS PAYABLE		
Convertible debenture loans		
Other debenture loans		
Loans and debts payable to credit institutions		
Loans and sundry financial debts payable		
Payments on account received on orders in progress		
Trade creditors and related accounts		
Tax and social security debts payable		
Creditors for fixed assets and related accounts		
Other debts payable	1,919.49	1,883.70
Short-term financial instruments		

		31/12/2007	31/12/2006
Deferred income			
	Total III	1,919.49	1,883.70
Liabilities translation adjustment	Total IV		
	OVERALL TOTAL (I to IV)	1,993.00	14,455.24

B. INCOME STATEMENT AS AT 31 DECEMBER 2007

		Euros	
		31/12/2007	31/12/2006
Operating income			
Sales of goods for resale			
Production sold (goods and services)			
Product stocks			
Own work capitalised			
Provisions (and depreciation) written back, charges transferred			
Other income		1.03	0.70
Total I		1.03	0.70
Operating charges			
Purchases of goods for resale			
Changes in stocks of goods for resale			
Purchases of raw materials and other consumables			
Changes in stocks of consumables			
Other purchases and external charges		(7,702.27)	(6,352.93)
Taxes, levies and similar payments		(4,947.00)	
Salary and wages			
Social security costs			
Appropriations to depreciation and provisions			
Fixed assets : appropriations to depreciation			
Fixed assets : appropriations to provisions			
Current assets : appropriations to provisions			
Liabilities and charges: appropriations to provisions			
Other charges			
Total II		(12,649.27)	(6,352.93)
1. OPERATING PROFIT OR LOSS (I – II)		(12,648.24)	(6,352.23)
Share of joint venture profit or loss			
Profit or loss transferred III			
Loss or profit transferred IV			
Financial income			
Participating interests			
Other financial fixed asset securities and debts receivable			
Other interest and similar income			
Provisions written back and financial charges transferred			
Currency exchange gains			
Net income on realisation of short-term investment securities		165.86	302.20
Total V		165.86	302.20
Financial charges			
Appropriations to depreciation and provisions			
Interest and similar charges		(15.65)	
Currency exchange losses			
Net charges on realisation of short-term investment securities			

	31/12/2007	31/12/2006
Total VI	(15.65)	0.00
2. FINANCIAL PROFIT OR LOSS (V - VI)	150.21	302.20
3. PROFIT OR LOSS ON ORDINARY ACTIVITIES before tax (I-II+III-IV+V-VI)	(12,498.03)	(6,050.03)
Extraordinary income		
Operating transactions		105.00
Capital transactions		4.08
Provisions written back and charges transferred		
Total VII	0.00	109.08
Extraordinary charges		
Operating transactions		
Capital transactions		
Appropriations to depreciation and provisions		
Total VIII	0.00	0.00
4. EXTRAORDINARY PROFIT OR LOSS (VII - VIII)	0.00	0.00
Employee profit share (IX)		
Tax on profits (X)		
Total income (I+III+V+VII)	166.89	411.98
Total charges (II+IV+VI+VIII+IX+X)	(12,664.92)	(6,352.93)
PROFIT OR LOSS	(12,498.03)	(5,940.53)

DETAILS OF ASSETS	31/12/2007	31/12/2006
CURRENT ASSETS		
DEBTS RECEIVABLE		
<i>Taxes on turnover</i>		
VAT credit to carry forward		4,805.00
Other debts receivable (gross)		4,805.00
INVESTMENT SECURITIES		
UCITS		8,233.68
Other securities (gross)		8,233.68
<i>Ordinary debit accounts</i>		
BNP Paribas Agence des Banques	1,993.00	1,416.56
Cash assets	1,993.00	1,416.56
TOTAL ASSETS	1,993.00	14,455.24

Euros

DETAILS OF LIABILITIES	31/12/2007	31/12/2006
CAPITAL AND RESERVES		
Share capital	40,000.00	40,000.00
Profit or loss carried forward	(27,428.46)	(21,487.51)
Profit or loss for the financial year	(12,498.03)	(5,940.95)
DEBTS PAYABLE		
<i>Other charges payable</i>		
Auditors' fees	1,919.49	1,883.70
Other debts payable	1,919.49	1,883.70

TOTAL LIABILITIES	1,993.00	14,455.24
--------------------------	-----------------	------------------

Euros		
OPERATING INCOME	31/12/2007	31/12/2006
OPERATING INCOME		
Miscellaneous income from ordinary management activities		
- Miscellaneous income	1.03	0.70
Other income from ordinary management activities	1.03	0.70
OPERATING CHARGES		
Intermediaries' remuneration and fees		
- Professional fees		
- Auditors' fees	(1,919.49)	(1,958.70)
- Documentary and litigation charges	(624.06)	
- Miscellaneous		
- BNP technical assistance	(4,425.20)	(3,700.00)
- Placing advertisements	(620.60)	(359.91)
Banking and similar services		
- Other service provider charges and fees	(112.92)	(334.32)
Other purchases and external charges	(7,702.27)	(6,352.93)
Other taxes, levies and similar payments (tax administration)		
- Prorata non-recoverable VAT	(4,947.00)	
Taxes, levies and similar payments	(4,947.00)	

Euros		
FINANCIAL PROFIT OR LOSS	31/12/2007	31/12/2006
FINANCIAL INCOME		
Gains on realisation of investment securities	165.86	302.20
Net income on sale of investment securities	165.86	302.20
FINANCIAL CHARGES		
Credit interest on current and deposit accounts	(15.65)	
Interest and similar charges	(15.65)	

Euros		
EXTRAORDINARY PROFIT OR LOSS	31/12/2007	31/12/2006
EXTRAORDINARY INCOME		
Extraordinary income from previous financial years		105.00
Operating transactions		105.00
Other extraordinary income		
- Other extraordinary income on other capital transactions		4.08
Capital transactions		4.08

C. NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

(The figures shown are in thousands of Euros)

I – Characteristics of the financial year

The financial period is of twelve months duration commencing on 1st January and ending on 31 December 2007.

II – Accounting principles, rules and methods

The financial statements for the financial year ending 31/12/2007 were prepared in accordance with accounting principles and in accordance with generally accepted rules for the preparation and presentation of annual financial statements.

The method used for valuing items posted in the accounts is the historical cost method.

The main methods selected are as follows:

1. Receivables

Receivables are valued at par value. The receivable is depreciated when the inventory value is less than the Book value.

2. Investment securities

(a) Definition

Securities acquired with a view to making a profit over a short period are classified as investment securities.

(b) Entrance cost

They are recorded at their acquisition price excluding purchase expenses or any accrued coupon.

(c) Valuation of securities at year-end

Investment securities are valued individually at the lower of their acquisition price or stock market price (average monthly price) if the securities are listed; otherwise the probable trading price is used.

UCITS units are valued at the latest published net asset value.

Changes in investment securities

	Euros				
	Opening value	Increases	Decreases	Item to item transfers	Closing value
	1	2	3	4	5
Investment securities	8,234		-8,234		
Net book value	8,234		-8,234		

Analysis of maturity of debts receivable and debts payable at year-end

DEBTS RECEIVABLE (a) DEBTS PAYABLE (b)	Gross amount	Liquidity and Maturity		
		Due within one year	Due after 1 year	Due after five years
Debts receivable relating to fixed assets				
Debts receivable and interest relating to participating interests				
Debts receivable relating to portfolio long-term investment securities				
Loans				
Other				
Debts receivable relating to current assets				

DEBTS RECEIVABLE (a) DEBTS PAYABLE (b)	Gross amount	Liquidity and Maturity		
		Due within one year	Due after 1 year	Due after five years
Trade debtors and related accounts Other Subscribed share capital – called but not paid Prepayments				
TOTAL DEBTS RECEIVABLE				
Convertible debenture loans Other debenture loans Loans and debts payable to credit institutions: - with initial maturity of one year maximum - with initial maturity of over one year Loans and sundry financial debts payable Trade creditors and related accounts Tax and social security debts payable Creditors for fixed assets and related accounts Other debts payable Deferred income				
	1,919	1,919		
TOTAL DEBTS PAYABLE	1,919	1,919		
(a) <i>Not including advances and payments on account paid on orders</i>				
(b) <i>Not including advances and payments on account received on orders</i>				

Charges payable

Euros

DEBTS PAYABLE	Amount
Other debts payable	1,919

Changes in capital and reserves

Euros

Items	At opening	Increase of item	Decrease of item	At year-end
Share capital	40 ,000			40 ,000
Premiums on shares issued, mergers and contributions				
Revaluation reserve				
- Legal reserve				
- Statutory and contractual reserves				
- Tax-regulated reserves				
- Other reserves				
Profit or loss carried forward	- 21,488		- 5,941	- 27,428
Profit or loss for the financial year	- 5,941	- 12,498	5,941	- 12,498
Interim dividend				
Sub-total : net position	12,572	- 12,498		74
Investment grants				
Tax-regulated provisions				
Total capital and reserves	12,572	- 12,498		74

Share capital structure

	Number of securities				Par value
	At opening of the financial year	Created during the financial year	Redeemed during the financial year	At financial year-end	
Ordinary shares	4,000			4,000	10 €
Redeemed shares					
Non-voting priority dividend shares					
Preference shares					
Ownership units					
Investment certificates					

Connected companies items

(Companies likely to be included by global integration within a consolidated group)

	Euros
	Amount
Intangible assets:	
- Advances and payments on account	
Tangible assets :	
- Advances and payments on account	
Financial fixed assets:	
- Participating interests	
- Debts receivable relating to participating interests	
- Loans	
Advances and payments on account paid on orders	
Debts receivable:	
- Trade debtors and related accounts	
- Other debts receivable	
- Subscribed share capital, called but not paid	
Investment securities	
Liquid assets	1,993
Debts payable :	
Convertible debenture loans	
Other debenture loans	
Loans and debts payable to credit institutions	
Loans and sundry financial debts payable	
Payments on account received on orders in progress	
Trade creditors and related accounts	
Creditors for fixed assets and related accounts	
Other	
Financial charges	
- Interest and similar expenses	16
Financial income	
- Income from participating interests	
- Income from debts receivable	
- Interest	

Tax integration

The company has been included in the scope of the tax integration agreement since 01/01/2001. The parent company is BNP PARIBAS.

Regarding corporation tax, in accordance with the tax integration agreement, the tax owed is calculated by the subsidiary, as if there were no tax integration. The amount calculated, having deducted any tax credits, is payable to the parent company, BNP PARIBAS SA.

Five year financial summary

Item	31/12/2003	31/12/2004	31/12/2005	31/12/2006	31/12/2007
Capital at financial year-end					
Share capital	40,000	40,000	40,000	40,000	40,000
Number of existing ordinary shares	4,000	4,000	4,000	4,000	4,000
Number of existing priority dividend shares (without voting rights)					
Maximum number of shares to be created :					
- by conversion of bonds					
- by exercise of subscription rights					
Results of operations for the year					
Turnover (Excl. VAT)					
Earnings before taxes and charges (depreciation, amortisation and provisions)	- 5,499	- 5,625	- 5,509	- 5,941	- 12,498
Tax on profits					
Employee profit share due for the financial year					
Earnings after taxes and charges (depreciation, amortisation and provisions)	- 5,499	- 5,625	- 5,509	- 5,941	- 12,498
Distributed profits					
Earnings per share in Euros					
Earnings after taxes, but before charges (depreciation, amortisation and provisions)	- 1.37	- 1.41	- 1.38	- 1.49	- 3.12
Earnings after taxes and charges (depreciation, amortisation and provisions)	- 1.37	- 1.41	- 1.38	- 1.49	- 3.12
Dividend allocated to each share					
Headcount					
Average employee headcount during the financial year					
Amount of the payroll for the financial year					
Amounts paid with respect to welfare benefits (social security, pro bono work, etc.)					

D. GENERAL REPORT OF THE STATUTORY AUDITORS

BERGÈRE PARTICIPATION 4 is the former name of the Issuer.

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether qualified or not, which is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

**BERGÈRE
PARTICIPATION 4**

Financial Statements – Year ended December 31, 2007

To the Shareholders of BERGERE PARTICIPATION 4

In compliance with the assignment entrusted to us by your Shareholders' annual general meeting, we hereby report to you, for the year ended December 31, 2007, on:

- the audit of the accompanying financial statements of BERGERE PARTICIPATION 4,
- the justification of our assessments,
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the Financial Statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities as at December 31, 2007, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

II - Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that the assessments we made concerned the appropriateness of the accounting principles used as well as the reasonableness of the significant estimates made.

The assessments were thus made in the context of the performance of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of our unqualified audit opinion expressed in the first part of this report.

III - Specific verifications and information

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the conformity with the financial statements of the information given in the Directors' report, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Courbevoie; 28 April 2008

The statutory auditor

MAZARS & GUERARD

Hervé Hélias

E. CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

(in Euros)	2007
Pre-tax	- 12,498
(¹)/- Net appropriations to depreciation of tangible and intangible assets	
(¹)- Depreciation of goodwill and other fixed assets	
(¹)= Net appropriations to provisions	
(¹) +/- Portion of profits relating to affiliate companies	
(¹) +/- Net loss/net gain from investment activities (1)	
(¹) (Income)/charges from financing activities (1)	
(¹) +/- Other transactions	4,841
<i>(¹) = Total non-monetary items included in net pre-tax profit and other adjustments</i>	4,841
(+/- Cash flow relating to transactions with credit institutions (*)	
(+/-Cash flow relating to transactions with customers (*)	
(+/-Cash flow from other transactions relating to financial assets or liabilities (*)	
(+/-Cash flow from other transactions relating to non-financial assets or liabilities	
(¹) – Taxes paid	
<i>(¹) = Net decrease /(increase) of assets and liabilities from operating activities</i>	-
<u>Total net cash flow from operating activities (A)</u>	- 7,657
(+/- Cash flow relating to financial assets and participating interests (*)	
(+/-Cash flow relating to investment property (*)	
(+/-Cash flow relating to tangible and intangible assets (*)	
<u>Total net cash flow from investment activities (B)</u>	-
(+/- Cash flow derived from or intended for shareholders (*)	
(+/- Other net cash flow from financing activities (*)	
<u>Total net cash flow relating to financing activities (C)</u>	-
<u>Effect of exchange rate variations on cash and cash equivalents (D)</u>	-
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	- 7,657
Net cash flow from operating activities (A)	- 7,657
Net cash flow relating to investment activities (B)	-
Net cash flow relating to financing activities (C)	-
Effect of exchange rate variations on cash and cash equivalents (D)	-
Cash and cash equivalents at opening	9,650

(in Euros)	2007
Cash, central banks, post office checking accounts (assets and liabilities)	
Demand deposit accounts (assets and liabilities) and loans/borrowings with credit institutions	9,650
<u>Cash and cash equivalents at year-end</u>	1,993
Cash, central banks, post office checking accounts (assets and liabilities)	
Demand deposit accounts (assets and liabilities) and loans/borrowings with credit institutions	1,993
Changes in net cash	- 7,657

Explanatory note

The cash flow statement for the year ended December 31, 2007 has been prepared on the basis of the audited financial statements for the financial years ended December 31, 2006 and December 31, 2007. These financial statements were prepared in accordance with accounting principals applicable in France.

The cash flow statement has been prepared using the indirect method.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

F. STATUTORY AUDITORS' REPORT ON THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2007

PricewaterhouseCoopers Audit

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

Mazars

61, rue Henri Regnault
92400 Courbevoie

STATUTORY AUDITORS' REPORT
ON THE CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2007

This is a free translation into English of the Statutory Auditors' report on the cash flow statement for the year ended December 31, 2007 issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To Mrs Valérie Brunerie
Deputy Chief Executive Officer
BNP Paribas Public Sector SCF
1, boulevard Haussmann
75009 PARIS

In our capacity as Statutory Auditors of BNP Paribas Public Sector SCF and in compliance with your request within the framework of the preparation of the base prospectus submitted to the approval of the Commission de surveillance du secteur financier in Luxembourg and relating to the €15,000,000,000 EMTN programme, we have audited the accompanying cash flow statement for the year ended December 31, 2007 (the "cash flow statement").

Management is responsible for the preparation and fair presentation of this cash flow statement. Our responsibility is to express an opinion on this cash flow statement based on our audit.

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the cash flow statement is free from material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the cash flow statement. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the cash flow statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the cash flow statement has been prepared, in all its material aspects, in accordance with the principles described in the explanatory paragraph attached to the cash flow statement.

This report is governed by French law. French courts have exclusive jurisdiction to judge any dispute, claim or disagreement that may result from this report or any related question. Each party irrevocably renounces his or her rights to oppose legal action brought before these courts, to contend that the action was brought before a court that was not competent, or that these courts do not have jurisdiction.

Neuilly-sur-Seine and Courbevoie; 9 March 2009

The statutory auditors

PricewaterhouseCoopers Audit

Mazars

Patrice Morot

Hervé Hélias

RELATIONSHIP BETWEEN BNP PARIBAS PUBLIC SECTOR SCF AND BNP PARIBAS

BNP Paribas Public Sector SCF shall enter into the following contracts:

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

FORM OF FINAL TERMS (LESS THAN €50,000 (OR ITS EQUIVALENT IN ANOTHER CURRENCY))

Set out below is the indicative form of Final Terms which, subject to modification and/or amendment, will be completed for each Tranche of Notes issued under the Programme with a denomination of less than €50,000 (or its equivalent in another currency).

Final Terms dated [date]

[Logo if document is printed]

BNP PARIBAS PUBLIC SECTOR SCF

(Issuer)

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

Issue Price: []%

[Name(s) of Dealer(s)]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive or supplement a prospectus pursuant to article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 38 of Part A below, provided such person is one of the persons mentioned in Paragraph 38 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.] [*Include this legend where a non-exempt offer of Notes is anticipated.*]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive or supplement a prospectus pursuant to article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.] [*Include this legend where an exempt offer of Notes is anticipated.*]

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 [*current date*] [and any supplement thereto] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**).

This document constitutes the Final Terms of the Notes described herein for the purposes of article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent[(s)] where copies may be obtained.

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [*original date*]. 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 dated [*current date*] [and any supplement thereto], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive], save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [*original date*] and [*current date*]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained.

[Include whichever of the following apply or specify as "Not Applicable" (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 48-hour time period.]

1. Issuer: BNP Paribas Public Sector 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: []% of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. Specified Denomination(s): []
(one (1) denomination only for Dematerialised Notes) (Not less than €50,000 or its equivalent in other currency at the Issue Date when the Notes are admitted to trading on a Regulated Market of the European Union)¹
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/Rate of Interest: [[]% Fixed Rate]
[specify reference rate]
[+/- []% Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Other (*specify*)]
(further particulars specified below)
10. Redemption/Payment Basis²: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[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*

¹ 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 constitute 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).

² If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

redemption/payment basis]

12. Put/Call Option: [Noteholder Put]
[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 annum [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day*]/not adjusted]
- (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): []
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ FBF Determination/ ISDA Determination/ other (*give details*)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): []
- (ix) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: []
 - Interest Determination Date(s): [[] *[TARGET2] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*]
 - Relevant Screen Page: []
- (x) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): []
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): []
- (xi) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
 - ISDA Definitions: 2006
- (xii) Margin(s): [+/-][]% per annum
- (xiii) Minimum Rate of Interest: [Not Applicable/[]% per annum]
- (xiv) Maximum Rate of Interest: [Not Applicable/[]% 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 subparagraphs of this paragraph)
- (i) Amortisation Yield: []% per annum
 - (ii) Day Count Fraction: []
 - (iii) Any other formula/basis of determining amount payable: []
(Consider applicable Day Count Fraction is euro denominated)
18. Index-Linked Interest Notes/other variable-linked interest Notes Provisions³: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/ Formula/ other variable: [give or annex details]
 - (ii) Calculation Agent responsible for calculating the redemption amount and/or interest due: []
 - (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: [] *(Need to include a description of market disruption or settlement disruption events and adjustment provisions)*
 - (vi) Interest Period(s): []
 - (vii) Interest Payment Dates: []
 - (viii) Business Day Convention: []
 - (ix) Business Centre(s): []
 - (x) Minimum Rate of Interest: [Not Applicable/[]% per annum]
 - (xi) Maximum Rate of Interest: [Not Applicable/[]% per annum]
 - (xii) Day Count Fraction: []

³ If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

19. Dual Currency Notes Provisions⁴: [Applicable/ Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [] *[give details]*
- (ii) Calculation Agent, if any, responsible for calculating the redemption amount and/or interest due: []
- (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 sub-paragraphs 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 period (if other than as set out in the Conditions): []
21. Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs 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) Option Exercise Date(s) []

⁴ If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

- (iv) Notice period (if other than as set out in the Conditions): []
22. Other Option: []
23. Final Redemption Amount of each Note⁵: [[] 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) Calculation Agent responsible for calculating the Final Redemption Amount: [] [*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 Redemption Amount: []
- (viii) Maximum 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]

⁵ If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer dematerialised form (*au porteur*)/ administered registered dematerialised form (*au nominatif administré*)/ fully registered dematerialised form (*au nominatif pur*)]
- (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 dematerialised form only*)
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [] (the **Exchange Date**), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
26. Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g): [Not Applicable/*Give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 15(ii), 16(v) and 18(ix) relate*]
- Adjusted Payment Date (Condition 8(g)): [Not Applicable/The next following business day unless it would thereby fall into the next calendar month, in which such date shall be brought forward to the immediately preceding business day.] [The immediately preceding business day]/[Other*]
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 2(d)] [annexed to these Final Terms] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition

* 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)).

13(b)] [annexed to these Final Terms] apply]

32. Masse (Condition 11): [Applicable/ Not Applicable/ Condition 11 replaced by the full provisions of the French Commercial Code (*Code de commerce*) relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued or deemed to be issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the full provisions of the French Commercial Code (Code de commerce) relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies or if full provisions of the French Commercial Code (Code de commerce) 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 and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]

(include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment and on a "best efforts" basis if such entities are not the same as the Managers)

(ii) Date of Subscription Agreement: []

(iii) Stabilising Manager(s) (if any): [Not Applicable/give name]

35. If non-syndicated, name of Dealer: [Not Applicable/give name]

36. Total commission and concession: [] per cent. of the Aggregate Nominal Amount

37. U.S. selling restrictions: The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

[TEFRA C/ TEFRA D/ TEFRA not Applicable]
(TEFRA are not applicable to Dematerialised

Notes)

38. Non-exempt Offer:

[Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Managers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known*]] (together with the Managers, the **Financial Intermediaries**) other than pursuant to article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)*] (**Public Offer Jurisdictions**) during the period from [*specify date*] until [*specify date or a formula such as "the Issue Date" or "the date which falls [specify] Business Days thereafter"*] (**Offer Period**). See further Paragraph 14 of Part B below.

N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)

39. Additional selling restrictions:

[Not Applicable/*give details*]

N.B. Physically settled Notes, Partly Paid Notes, Credit Linked Notes, Commodity Linked Notes, Equity Linked Notes, Index Linked Notes and Dual Currency Notes may be subject to additional U.S. selling restrictions.

40. Conditions of Offer:

[Not Applicable/*If applicable, set out information relating to articles 5.1.3 to 5.2.2 (as applicable) of Annex V of Regulation (EC) No. 809/2004.*]

GENERAL

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

[Not Applicable/[]]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on the *[specify relevant regulated market]* of the Notes described herein] pursuant to the €15,000,000,000 Euro Medium Term Note Programme of BNP Paribas Public Sector 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.]

Signed on behalf of BNP Paribas Public Sector SCF:

By:
Duly authorised

PART B – OTHER INFORMATION

1. RISK FACTORS

[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.]⁶

2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Official List of the Luxembourg Stock Exchange/ other (*specify*)/ None]
- (ii) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*] with effect from [].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*]] with effect from [].] [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: []
- (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 will be published on the website of the Luxembourg Stock Exchange during a period of 12 months from the date of the Base Prospectus and that the Final Terms related to Notes on any Regulated Market will be published on the website of the Luxembourg Stock Exchange. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than the Regulated Market of the Luxembourg Stock Exchange.*)

⁶ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

3. RATINGS

Ratings:

The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

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

4. [NOTIFICATION

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

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 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 INTEREST

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.]

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 EXPENSES

(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:]] *[Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".]*

(N.B. If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

9. [Fixed Rate Notes only – YIELD

Indication of yield:] *[Calculated as [include details of method of calculation in summary form] on the Issue Date.]*

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 UNDERLYING

[Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.]

[Need to include a clear and comprehensive explanation of how the value of the investment is effected by the underlying and the circumstances when the risks are most evident]

[Where the underlying is an index need to include the name of the index and 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.]

[(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.)]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

(N.B. The above applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

Post-issuance information

The Issuers [do not] intend to publish post-issuance information in relation to any underlying element to which the Notes are linked.

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

[Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]

[Need to include 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.]

(N.B. The above applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

[(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 – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES, INFORMATION CONCERNING THE UNDERLYING AND SETTLEMENT PROCEDURES

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

EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

[Need to include 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.]

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: []

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 underlying⁷: []

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 Luxembourg) is sought: []]

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.]

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: []

⁷ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

13. OPERATIONAL INFORMATION

ISIN Code: []

Common Code: []

Depositories:

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

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

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

Delivery: Delivery [against/free of] payment

Names and addresses of the Calculation Agent: []

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

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

14. TERMS AND CONDITIONS OF THE OFFER

Offer Price: [Issue Price][specify]

[Conditions to which the offer is subject:] [Not applicable/give details]

[Description of the application process:] [Not applicable/give details]

[Details of the minimum and/or maximum amount of application:] [Not applicable/give details]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:] [Not applicable/give details]

[Details of the 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*]

[Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:] [Not applicable/*give details*]

[Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not applicable/*give details*]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/*give details*]

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:] [None/*give details*]

**ATTESTATION DU CONTROLEUR SPECIFIQUE RELATIVE A UNE EMISSION
OBLIGATAIRE D'UN MONTANT DE [] EN APPLICATION DES ARTICLES L.515-30 ET
R.515-13 DU CODE MONETAIRE ET FINANCIER**

[Only applicable if the amount of Notes issued equals or exceeds Euro 500,000,000 or its equivalent in any other currency]

Messieurs les Administrateurs de BNP Paribas Public Sector SCF,

En notre qualité de contrôleur spécifique de votre société et en exécution des dispositions prévues par les articles L.515-30 et R.515-13 du Code monétaire et financier, nous devons établir une attestation du respect de la règle prévue à l'article L.515-20 dudit Code, dans le cadre de toute émission d'obligations foncières d'une valeur unitaire au moins égale à € 500 millions.

Par décision en date du [], le conseil d'administration de BNP Paribas Public Sector SCF a fixé le plafond maximum du programme d'émissions de ressources bénéficiant du privilège institué par l'article L.515-19 du Code monétaire et financier, à € [], pour la période allant du [] au [].

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du [], le directeur général de BNP Paribas Public Sector SCF a autorisé le lancement d'une nouvelle émission de ressources bénéficiant du privilège institué par l'article L.515-19 du Code monétaire et financier, pour un montant de [].

L'article L. 515-20 du Code monétaire et financier dispose que le montant total des éléments d'actif des sociétés de crédit foncier doit être supérieur au montant des éléments de passif bénéficiant du privilège mentionné à l'article L.515-19 dudit Code. Il nous appartient d'attester du respect de cette règle au titre de la présente opération.

Le respect de cette règle, après prise en compte de l'émission visée ci-dessus, a été vérifié sur la base d'informations financières estimées et prévisionnelles établies sous la responsabilité de votre conseil d'administration. Les informations financières prévisionnelles ont été établies à partir des hypothèses traduisant la situation future que vous avez estimée la plus probable à la date de la présente émission. Ces informations sont présentées en annexe à la présente attestation.

Nous avons effectué nos travaux sur la base des diligences que nous avons estimées nécessaires au regard de la doctrine professionnelle de la Compagnie Nationale des Commissaires aux Comptes, relative à cette mission. Ces diligences sont destinées à vérifier, sur la base des informations financières établies, le respect de la règle prévue par l'article L.515-20 du Code monétaire et financier et les modalités de calcul du ratio de couverture prévues par les dispositions du règlement n°99-10 du Comité de la Réglementation Bancaire et Financière.

Nos diligences ont notamment consisté à examiner le processus d'élaboration des informations financières estimées et prévisionnelles, établies à la date plus proche de celle de la présente émission, afin d'en vérifier la cohérence dans la perspective de contrôler le respect de la règle prévue à l'article L.515-20 du Code monétaire et financier. En ce qui concerne les informations prévisionnelles, nous avons pris connaissance des hypothèses retenues et vérifié leur traduction chiffrée, étant rappelé que, s'agissant de prévisions présentant par nature un caractère incertain, les réalisations différeront parfois de manière significative des informations prévisionnelles établies.

Sur la base de nos travaux, nous n'avons pas d'observation à formuler sur le respect, par BNP Paribas Public Sector SCF, de l'article L.515-20 du Code monétaire et financier stipulant que le montant des éléments d'actif doit être supérieur au montant des éléments de passif privilégiés, après prise en compte de la présente émission visée ci-dessus.

[], le []

Le Contrôleur Spécifique

Fides Audit

11, rue Marie Laurencin,
75012 Paris
représenté par Stéphane MASSA

[Le Contrôleur Spécifique suppléant]

[Hugues Beaugrand

11, rue Marie Laurencin,
75012 Paris]

[En-tête de BNP Paribas Public Sector SCF]

ANNEXE

Montants après prise en compte des émissions obligataires réalisées du [] au [], y compris la présente émission de [] (date de règlement [])

En millions d'euros	Estimé	Prévisionnel
	Au []	Au []
Total des emplois	[]	[]
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du Code monétaire et financier	[]	[]

assets must be greater than the amount of preferential liabilities, after taking into account the aforementioned issue.

[], on []

The Specific Controller

Fides Audit

11, rue Marie Laurencin,

75012 Paris

represented by Stéphane MASSA

[The Substitute Specific Controller]

[Hugues Beaugrand

11, rue Marie Laurencin,

75012 Paris]

[On the letterhead of BNP Paribas Public Sector SCF]

APPENDIX

Figures after taking into account the notes issues for the period from [] to [] including the present issue of [] (value date []).

In million of €	Estimated figures	Forecasted Figures
	As of []	As of []
Total application of funds	[]	[]
Total sources of funds that qualify for the privileged right mentioned in article L.515-19 of the Monetary and Financial Code	[]	[]

FORM OF FINAL TERMS (AT LEAST €50,000 (OR ITS EQUIVALENT IN ANOTHER CURRENCY))

Set out below is the indicative form of Final Terms which, subject to modification and/or amendment, will be completed for each Tranche of Notes issued under the Programme with a denomination of at least €50,000 (or its equivalent in another currency).

Final Terms dated [date]

[Logo if document is printed]

BNP PARIBAS PUBLIC SECTOR SCF
(Issuer)

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

Issue Price: []%

[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 [*current date*] [and any supplement thereto] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**).

This document constitutes the Final Terms of the Notes described herein for the purposes of article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent[(s)] where copies may be obtained.

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [*original date*]. 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 dated [*original date*], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive.] save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [*original date*] and [*current date*]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of the Base Prospectus and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained.

[Include whichever of the following apply or specify as "Not Applicable" (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 48-hour time period.]

1. Issuer: BNP Paribas Public Sector 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: []% of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. Specified Denomination(s): []
(one (1) denomination only for Dematerialised Notes) (Not less than €50,000 or its equivalent in other currency at the Issue Date when the Notes are admitted to trading on a Regulated Market of the European Union)⁸
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/Rate of Interest: [[]% Fixed Rate]
[specify reference rate]
[+/- []% Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Other (specify)]
(further particulars specified below)
10. Redemption/Payment Basis⁹: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[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]

⁸ 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 constitute 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).

⁹ If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

12. Put/Call Option: [Noteholder Put]
 [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 subparagraphs of this paragraph*)
- (i) Rate(s) of Interest: []% per annum [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day*]/not adjusted]
- (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 subparagraphs 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): []
- (vii) Manner in which the Rate(s) of [Screen Rate Determination/ FBF
Interest is/are to be determined: Determination/ISDA Determination/other (*give
details*)]
- (viii) Party responsible for calculating []
the Rate(s) of Interest and/or
Interest Amount(s) (if not the
Fiscal Agent):
- (ix) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: []
- Interest Determination [[] [TARGET2] Business Days in [specify
Date(s): city] for [specify currency] prior to [the first
day in each Interest Accrual Period/each
Interest Payment Date]]
- Relevant Screen Page: []
- (x) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux* []
Variable):
- Floating Rate []
Determination Date (*Date*
de Détermination du Taux
Variable):
- (xi) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: []
- Designated Maturity: []
- Reset Date: []
- ISDA Definitions: 2006
- (xii) Margin(s): [+/-][]% per annum
- (xiii) Minimum Rate of Interest: [Not Applicable/[]% per annum]
- (xiv) Maximum Rate of Interest: [Not Applicable/[]% 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 subparagraphs of this paragraph)
- (i) Amortisation Yield: []% per annum
 - (ii) Day Count Fraction: []
 - (iii) Any other formula/basis of determining amount payable: []
(Consider applicable Day Count Fraction is euro denominated)
18. Index-Linked Interest Notes/other variable-linked interest Notes Provisions¹⁰: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/ Formula/ other variable: [give or annex details]
 - (ii) Calculation Agent responsible for calculating the redemption amount and/or interest due: []
 - (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: [] *(Need to include a description of market disruption or settlement disruption events and adjustment provisions)*
 - (vi) Interest Period(s): []
 - (vii) Interest Payment Dates: []
 - (viii) Business Day Convention: []
 - (ix) Business Centre(s): []
 - (x) Minimum Rate of Interest: [Not Applicable/[]% per annum]
 - (xi) Maximum Rate of Interest: [Not Applicable/[]% per annum]
 - (xii) Day Count Fraction: []

¹⁰

If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

19. Dual Currency Notes Provisions¹¹: [Applicable/ Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the redemption amount and/or interest due: []
- (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 sub-paragraphs 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 period (if other than as set out in the Conditions): []
21. Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs 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) Option Exercise Date(s) []

¹¹ If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

- (iv) Notice period (if other than as set out in the Conditions): []
22. Other Option: []
23. Final Redemption Amount of each Note¹²: [[] 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) Calculation Agent responsible for calculating the Final Redemption Amount: [] [*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 Redemption Amount: []
- (viii) Maximum 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]

¹² If the Final Redemption Amount is different than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €50,000 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.

- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer dematerialised form (*au porteur*)/ administered registered dematerialised form (*au nominatif administré*)/ fully registered dematerialised form (*au nominatif pur*)]
- (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 dematerialised form only*)
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [] (the **Exchange Date**), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
26. Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g): [Not Applicable/*Give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 15(ii), 16(v) and 18(ix) relate*]
- Adjusted Payment Date (Condition 8(g)): [Not Applicable/The next following business day unless it would thereby fall into the next calendar month, in which such date shall be brought forward to the immediately preceding business day.] [The immediately preceding business day]/[Other*]
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 2(d)] [annexed to these Final Terms] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition

* 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)).

13(b)] [annexed to these Final Terms] apply]

32. Masse (Condition 11): [Applicable/ Not Applicable/ Condition 11 replaced by the full provisions of the French Commercial Code (*Code de commerce*) relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued or deemed to be issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the full provisions of the French Commercial Code (Code de commerce) relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies or if full provisions of the French Commercial Code (Code de commerce) 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: []¹³
(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 Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

[TEFRA C/ TEFRA D/ TEFRA not Applicable]
(TEFRA are not applicable to Dematerialised Notes)

GENERAL

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

¹³ Required only for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

PURPOSE OF FINAL TERMS

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

Signed on behalf of BNP Paribas Public Sector SCF:

By:
Duly authorised

PART B – OTHER INFORMATION

1. RISK FACTORS

[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.]¹⁴

2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Official List of the Luxembourg Stock Exchange/ other (*specify*)/ None]
- (ii) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*] with effect from [].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*]] with effect from [].] [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: []
- (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 will be published on the website of the Luxembourg Stock Exchange during a period of 12 months from the date of the Base Prospectus and that the Final Terms related to Notes on any Regulated Market will be published on the website of the Luxembourg Stock Exchange. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than the Regulated Market of the Luxembourg Stock Exchange.*)

¹⁴

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

3. RATINGS

Ratings:

The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

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

4. [NOTIFICATION

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

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 *privilege* defined in article L.515-19 of the 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 INTEREST¹⁵

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

¹⁵ Please note that some regulatory authorities may require the inclusion of that information even though the denomination of the Notes is €50,000 or more.

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.]

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 EXPENSES

(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: ¹⁶

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 UNDERLYING¹⁷

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 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

¹⁶ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies. See footnote no. 8 above.
¹⁷ 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.

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 INVESTMENT¹⁸

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.

[(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 – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES, INFORMATION CONCERNING THE UNDERLYING AND SETTLEMENT PROCEDURES

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

EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

[Need to include 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.]

RETURN ON DERIVATIVE SECURITIES

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

Payment or delivery date: []

Method of calculation: []

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 []

¹⁸ 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.

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 underlying¹⁹: []

OTHER

Name and address of Calculation Agent: []

[Information on taxes on the income from the Notes

¹⁹ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

withheld at source in the country where admission to trading (other than in Luxembourg) is sought:] []

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.]

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: []

13. OPERATIONAL INFORMATION

ISIN Code: []

Common Code: []

Depositories:

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

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

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

Delivery:

Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s):

[]

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

[]

ANNEX

[To be attached to all Final Terms]

- (1) The Rate of Interest will be determined by the Calculation Agent on the following basis:

On the fifth Business Day before each Interest Payment Date (an **Interest Determination Date**) the Calculation Agent will calculate the Inflation Index Ratio.

The **Inflation Index Ratio** or **IIR** is the ratio between (i) the Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the Daily Inflation Reference Index (as defined below) applicable on [] (the **Base Reference**, amounting to: []). The IIR will be rounded off, if necessary to the fifth decimal place.

Daily Inflation Reference Index means (A) in relation to the first day of any given month, the CPI Monthly Reference Index of the third month preceding such month, and (B) in relation to a day (D) (other than the first day) in any given month (M), the linear interpolation of the CPI Monthly Reference Index pertaining respectively to the third month preceding such month (M - 3) and the second month preceding such month (M - 2) calculated in accordance with the following formula:

Daily Inflation Reference Index =

$$\text{CPI Monthly Reference Index}_{M-3} + \frac{D-1}{\text{NDM}} \times (\text{CPI Monthly Reference Index}_{M-2} - \text{CPI Monthly Reference Index}_{M-3})$$

With:

ND_M: number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

D: actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25 ;

CPI Monthly Reference Index _{M-2}: price index of month M - 2;

CPI Monthly Reference Index _{M-3}: price index of month M - 3.

The Daily Inflation Reference Index will be rounded off to the fifth decimal place.

For information purposes, such Daily Inflation Reference Index appears on the *Agence Française du Trésor* Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website "www.aft.gouv.fr". In the case of doubt in the interpretation of the methods used to calculate the Inflation Index Ratio, such methods shall be interpreted by reference to the procedures selected by the French Treasury (*Trésor*) for its *obligations assimilables du Trésor indexées sur l'inflation*.

CPI Monthly Reference Index refers to the definitive consumer price index excluding tobacco for all households in metropolitan France, as calculated and published monthly by the Institut National de la Statistique et des Etudes Economiques (**INSEE**) as such index may be adjusted or replaced from time to time as provided herein.

- (2) The calculation method described below is based on the recommendation issued by the Notes Normalisation Committee (*Comité de Normalisation Obligatoire*) in its September 1998 Paper entitled "Inflation Indexed Notes". In the case of any conflict between the calculation method provided below and the calculation method provided by the Normalisation Committee (*Comité de Normalisation Obligatoire*), the calculation method provided by the Normalisation Committee (*Comité de Normalisation Obligatoire*) shall prevail.

The rate of interest applicable from time to time in respect of the Notes for each Interest Period (**Rate of Interest**) will be equal to [1.85] per cent. per annum multiplied by the Inflation Index Ratio (as defined above).

(3)

- (i) If the CPI Monthly Reference Index is not published in a timely manner, a substitute CPI Monthly Reference Index (the **Substitute CPI Monthly Reference Index**) shall be determined by the Calculation Agent in accordance with the following provisions:

(x) If a provisional CPI Monthly Reference Index (*indice provisoire*) has already been published, such index shall automatically be used as the Substitute CPI Monthly Reference Index. Such provisional CPI Monthly Reference Index would be published under the heading "*indice de substitution*". Once the definitive CPI Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

(y) If no provisional CPI Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

Substitute CPI Monthly Reference Index_M =

$$\text{CPI Monthly Reference Index}_{M-1} \times \left(\frac{\text{CPI Monthly Reference Index}_{M-1}}{\text{CPI Monthly Reference Index}_{M-13}} \right)^{\frac{1}{12}}$$

- (ii) In the event INSEE decides to proceed with one or more base changes for the purpose of calculating the CPI Monthly Reference Index, the two CPI Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December CPI Monthly Reference Index of the last year of joint publications, which corresponds to the Daily Inflation Reference Index for 1st March of the following year. Such chaining will be carried out in accordance with the following equation:

$$\text{Key} = \frac{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the new basis}}}{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the previous basis}}}$$

Such that:

$$\text{CPI Monthly Reference Index}_{\text{New basis}}^{\text{Date D}} = \text{CPI Monthly Reference Index}_{\text{Previous basis}}^{\text{Date D}} \times \text{Key}$$

(4)

(i) Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 12:00 p.m. (Paris time) on the Interest Determination Date in relation to each Interest Payment Date, calculate the amount of interest (the **Interest Amount**) payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Payment Date to the principal amount of such Note, and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

When any interest is required to be calculated, it will be calculated on the basis of the Day Count Fraction defined in paragraph 18 (xii).

(ii) Determinations etc.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Final Terms by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(iii) Calculation Agent

The Issuer will procure that, so long as any of the Notes remains outstanding, it will at all times maintain a Calculation Agent for the purposes of the Notes. Subject as provided herein, the Issuer reserves the right at any time to vary or terminate the appointment of the Calculation Agent. Notice of any change of Calculation Agent or any change in its specified office will be published in accordance with Condition 17 of the Base Prospectus.

éléments d'actif doit être supérieur au montant des éléments de passif privilégiés, après prise en compte de la présente émission visée ci-dessus.

[], le []

Le Contrôleur Spécifique

Fides Audit

11, rue Marie Laurencin,

75012 Paris

représenté par Stéphane MASSA

[Le Contrôleur Spécifique suppléant]

[Hugues Beaugrand

11, rue Marie Laurencin,

75012 Paris]

[En-tête de BNP Paribas Public Sector SCF]

ANNEXE

Montants après prise en compte des émissions obligataires réalisées du [] au [], y compris la présente émission de [] (date de règlement [])

En millions d'euros	Estimé	Prévisionnel
	Au []	Au []
Total des emplois	[]	[]
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du Code monétaire et financier	[]	[]

assets must be greater than the amount of preferential liabilities, after taking into account the aforementioned issue.

[], on []

The Specific Controller

Fides Audit

11, rue Marie Laurencin,

75012 Paris

represented by Stéphane MASSA

[The Substitute Specific Controller]

[Hugues Beaugrand

11, rue Marie Laurencin,

75012 Paris]

[On the letterhead of BNP Paribas Public Sector SCF]

APPENDIX

Figures after taking into account the notes issues for the period from [] to [] including the present issue of [] (value date []).

In million of €	Estimated figures	Forecasted Figures
	As of []	As of []
Total application of funds	[]	[]
Total sources of funds that qualify for the privileged right mentioned in article L.515-19 of the Monetary and Financial Code	[]	[]

TAXATION

The following is a summary limited to certain tax considerations in Austria, Belgium, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands and the United Kingdom relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force in Austria, Belgium, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands and in the United Kingdom as of the date of this Base Prospectus and is subject to any changes in law. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.

EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

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

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

However, throughout a transitional period, certain Member States (the Grand Duchy of Luxembourg, Belgium and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The rate of such withholding tax equals 15 per cent. during the first three years, 20 per cent. during the subsequent three years and 35 per cent. until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the **OECD Model Agreement**) with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

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

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

AUSTRIAN TAXATION

This section on taxation contains a brief summary with regard to certain important principles which are of significance in Austria in connection with the Notes. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for individual potential investors. It is based on the currently valid Austrian tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may also be effected with retro-active effect and may negatively impact on the tax consequences described above. It is recommended that potential purchasers of Notes consult with their legal and tax advisers as to the tax consequences of the purchase, holding or sale. Tax risks resulting from the Notes shall be borne by the purchaser.

Income tax

Individuals subject to unlimited income tax liability holding the Notes as a non-business asset are subject to income tax on all resulting interest payments pursuant to sec. 27(1)(4) and 27(2)(2) of the Austrian Income Tax Act. Such interest payments are subject to a withholding tax of 25 per cent. in case they are paid out by an Austrian paying agent. This withholding tax has the effect of final taxation in the case of a public placement of the Notes (i.e. no additional income tax is levied over and above the amount of tax withheld). Even if interest payments are not effected through an Austrian paying agent, a flat income tax rate of 25 per cent. applies in the case of a public placement of the Notes. Since in this case no withholding tax is levied, interest payments must be included in the income tax return.

Individuals subject to unlimited income tax liability holding the Notes as a business asset are subject to income tax on all resulting interest payments. Such interest payments are subject to a withholding tax of 25 per cent. in case they are paid out by an Austrian paying agent, this withholding tax having the effect of final taxation in the case of a public placement of the Notes (i.e. no additional income tax is levied over and above the amount of tax withheld). Even if interest payments are not effected through an Austrian paying agent, a flat income tax rate of 25 per cent. applies in the case of a public placement of the Notes. Again, such income has to be included in the income tax return.

Corporations subject to unlimited corporate income tax liability are subject to corporate income tax on all interest payments resulting from the Notes at a rate of currently 25 per cent. Under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act, no withholding tax is levied.

Private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites contained in sec. 13(1) of the Austrian Corporate Income Tax Act and holding the Notes as a non-business asset are subject to corporate income tax on all interest payments received pursuant to sec. 13(3)(1) of the Austrian Corporate Income Tax Act at a rate of 12.5 per cent. in the case of a public placement of the Notes. Under the conditions set forth in sec. 94(11) of the Austrian Income Tax Act, no withholding tax is levied.

Savings Directive

Sec. 1 of the Austrian EU Withholding Tax Act – which transforms into national law the provisions of the Savings Directive in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent to a beneficial owner who is an individual resident in another Member State is subject to a withholding tax if no exception from such withholding applies.

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

BELGIAN TAXATION

The following summary provides a general description of certain Belgian tax issues and consequences of the acquisition, holding, redemption and/or disposition of the Notes by a Belgian tax-resident investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Notes. In some cases, different rules may be applicable. Furthermore, the tax rules may be amended in the future, possibly with retrospective effect, and the interpretation of the tax rules may change.

This summary is based on the information provided in this prospectus and on the Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this offer in Belgium, without prejudice to any amendments introduced at a later date, even if implemented with retrospective effect.

Each prospective Noteholder is urged to consult a professional tax adviser with respect to the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing the Notes, taking into account their own specific circumstances.

Belgian income tax

For Belgian tax purposes, interest includes any interest paid on the Notes as well as any amount paid in excess of the initial issue price upon redemption or purchase by the Issuer.

Belgian resident individuals

Individuals who are Noteholders and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*), are subject to the following tax treatment with respect to the Notes in Belgium. Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Notes for professional purposes or when their transactions with respect to the Notes fall outside the scope of the normal management of their own private estate.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 15 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided withholding tax was levied on these interest payments.

If the interest is paid outside of Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of 15 per cent. (plus local surcharges).

Capital gains realised on the sale of the Notes to a party other than the Issuer, provided that they are not allocated to the professional activity of the individual, except in respect of that part of the sale price attributable to the *pro rata* interest component, are in principle tax exempt (unless the tax authorities can prove that the capital gain does not result from the normal management of a non-professional investment). The investor must declare the interest as moveable income in his or her personal income tax return. Such income will in principle be taxed separately, currently at a rate of 15 per cent. (plus the applicable local surcharge), unless it can be demonstrated that such income will be subject to Belgian withholding tax upon maturity.

Capital losses on the Notes are generally not tax deductible.

Belgian companies

Companies that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) are subject to the following tax treatment with respect to the Notes in Belgium.

Interest received by Belgian companies on the Notes and capital gains realised on the Notes will form part of the company's taxable basis and thus be subject to Belgian corporate income tax of 33.99 per cent. Capital losses are in principle deductible.

Interest payments on the Notes made through a paying agent in Belgium will generally be subject to a Belgian withholding tax, currently at a rate of 15 per cent., but can be exempt from withholding tax if paid to a Belgian resident company and provided certain formalities are complied with.

For Notes qualifying as zero or capitalisation bonds, no exemption will apply, unless the Belgian company and the Issuer are associated companies within the meaning of article 105,6° Royal Decree implementing the Income Tax Code.

Belgian companies may be in principle entitled to set off the Belgian withholding tax that would have been retained against their corporate income tax liability provided certain conditions are fulfilled.

Other Belgian legal entities subject to the legal entities income tax

Legal entities Noteholders that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/impôt des personnes morales*) are subject to the following tax treatment with respect to the Notes in Belgium.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 15 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the payment of the 15 per cent. withholding tax.

Capital gains realised on the sale of the Notes to a party other than the Issuer, are in principle tax exempt, except in respect of that part of the sale price attributable to the pro rata interest component (if any). Such interest is subject to withholding tax, currently at the rate of 15 per cent. This withholding tax must be paid by the legal entity itself, unless it can demonstrate that the withholding tax will be paid at maturity.

Tax on stock exchange transactions

The acquisition of the Notes upon their issuance is not subject to the tax on stock exchange transactions.

The sale and acquisition of the Notes on the secondary market is subject to a tax on stock exchange transactions if executed in Belgium through a professional intermediary. The tax is generally due at a rate of 0.07 per cent. on each sale and acquisition separately, with a maximum of € 500.00 per taxable transaction. Exemptions apply for certain categories of institutional investors and non-residents.

Savings Directive

The Savings Directive was implemented into Belgian law by the Act of 17 May 2004.

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

FRENCH TAXATION

French withholding tax

Payments of interest and other revenues with respect to the Notes (if they constitute *obligations* or *titres de créances négociables* under French tax law, or other debt instruments issued under French or foreign law and fiscally considered as *obligations* or *titres de créances négociables*) benefit from the tax exemption at source on interest set out under Article 125 A III of the French *Code général des impôts*, as provided for in Article 131 *quater* of the French *Code général des impôts*. Accordingly, such payments do not give the right to any tax credit from any French source.

Otherwise, the withholding tax exemption applies if all the conditions provided by Article 131 *quater* of the French *Code général des impôts* are met and in particular if each of the subscribers of the Notes is domiciled or resident for tax purposes outside the Republic of France and does not act through a permanent establishment or a fixed base therein.

Savings Directive

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

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

GERMAN TAXATION

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of Notes. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state, local or church taxes, under the tax laws of Germany and each country of which they are residents.

Tax residents

The section “*Tax residents*” refers to persons who are tax residents of Germany (i.e. persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany).

Withholding tax on ongoing payments and capital gains

Ongoing payments received by an individual Noteholder will be subject to German withholding tax if the Notes are kept in a custodial account with a German branch of a German or non-German bank or financial services institution, a German securities trading company or a German securities trading bank (each, a **Disbursing Agent**, *auszahlende Stelle*). The tax rate is 25 per cent. (plus solidarity surcharge at a rate of 5.5 per cent. thereon, the total withholding being 26.375 per cent.). If the individual Noteholder is subject to church tax, upon application a church tax surcharge will also be withheld.

The same treatment applies to capital gains (i.e. the difference between the proceeds from the disposal after deduction of expenses directly related to the disposal and the cost of acquisition) derived by an individual Noteholder provided the Notes have been held in a custodial account with the same Disbursing Agent since the time of their acquisition. Where Notes are issued in a currency other than Euro any currency gains or losses are part of the capital gains.

To the extent the Notes have not been kept in a custodial account with the Disbursing Agent since the time of acquisition, upon the disposal, redemption, repayment or assignment withholding applies at a rate of 26.375 per cent. (including solidarity surcharge) to 30 per cent. of the disposal proceeds, unless it has been notified of the actual acquisition costs of the Notes by the previous German Disbursing Agent or by a statement of a bank or financial services institution within the European Economic Area or certain other countries in accordance with art. 17 para. 2 of the Savings Directive (e.g. Switzerland or Andorra).

In computing any German tax to be withheld, the Disbursing Agent may - subject to certain requirements and restrictions - deduct from the basis of the withholding tax negative investment income realised by the individual Noteholder via the Disbursing Agent (e.g. losses from sale of other securities with the exception of shares). The Disbursing Agent may also deduct interest accrued on the Notes or other securities (**Accrued Interest**, *Stückzinsen*) paid separately upon the acquisition of the respective security via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent may credit foreign withholding taxes levied on capital income in a given year regarding securities held in the custodial account with the Disbursing Agent.

In addition, an annual allowance (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for married couples filing jointly) applies to all investment income received in a given year. Upon the individual Noteholder filing an exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, the Disbursing Agent will take the allowance into account when computing the amount of tax to be withheld. No withholding tax will be deducted if the Noteholder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

German withholding tax will not apply to gains from the disposal of Notes held by a corporation as Noteholder while ongoing payments, such as interest payments under a coupon, are subject to withholding tax. The same exemption for capital gains applies where the Notes form part of a trade or business subject to further requirements being met.

Taxation of current income and capital gains

The personal income tax liability of an individual Noteholder deriving income from capital investments under the Notes is, in principle, settled by the tax withheld. To the extent withholding tax has not been levied, such as in case of Notes kept in custody abroad, the individual Noteholder must report his or her income and capital gains derived from the Notes on his or her tax return and then will also be taxed at a rate of 25 per cent. (plus solidarity surcharge and church tax thereon, where applicable). Further, an individual Noteholder may request that all investment income of a given year is taxed at his or her lower individual tax rate based upon an assessment to tax with any amounts over withheld being refunded. In each case, the deduction of expenses (other than transaction costs) on an itemised basis is not permitted.

Where Notes form part of a trade or business or the income from the Notes qualifies as income from the letting and leasing of property the withholding tax, if any, will not settle the personal or corporate income tax liability. Where Notes form part of a trade or business, each year the part of the difference between the issue or purchase price and the redemption amount (if such amount is fixed at the time of the acquisition) attributable to such year as well as interest accrued must be taken into account as interest income. The respective Noteholder will have to report income and related (business) expenses on the tax return and the balance will be taxed at the Noteholder's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the Noteholder. Where Notes form part of a German trade or business the income and proceeds from the disposal, redemption, repayment or assignment of the Notes may also be subject to German trade tax.

Non-residents

Interest, including Accrued Interest, and capital gains are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Noteholder; or (ii) the interest income otherwise constitutes German-source income. In cases (i) and (ii) a tax regime similar to that explained above under "*Tax residents*" applies.

Non-residents of Germany are, in general, exempt from German withholding tax on interest and the solidarity surcharge thereon. However, where the interest is subject to German taxation as set forth in the preceding paragraph and Notes are held in a custodial account with a Disbursing Agent withholding tax may be levied under certain circumstances. Where Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the disposition, assignment or redemption of a Note are paid by a Disbursing Agent to a non-resident, withholding tax generally will also apply. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

Inheritance and gift tax

No inheritance or gift taxes with respect to any Notes will arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Notes are not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

Other taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax is not levied in Germany.

Savings Directive

By legislative regulations dated 26 January 2004 the Federal Government enacted provisions implementing the Directive into German law. These provisions apply from 1 July 2005.

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

IRISH TAXATION

Irish withholding tax

The Issuer is not incorporated in Ireland and on the basis that the Issuer is not managed and controlled in Ireland, then it will not be regarded as resident in Ireland for the purposes of Irish tax, nor will it be deemed to be so resident by virtue only of the fact that the Notes are admitted to trading on the regulated market of the Irish Stock Exchange.

Irish withholding tax applies to certain payments including payments of:

- Irish source yearly interest (i.e. interest that is capable of arising for a period in excess of one year);
- Irish source annual payments (annual payments are payments that are made over a period in excess of one year and are pure income-profit in the hands of the recipient); and
- distributions (including interest that is treated as a distribution under Irish law) made by Irish resident companies, at the standard rate of Irish income tax (currently 20 per cent.).

On the basis that the Issuer is not resident in Ireland for the purposes of Irish tax nor does the Issuer operate in Ireland through a branch or agency with which the issue of the Notes is connected, nor are Notes held in Ireland through a depository or otherwise located in Ireland then to the extent that payments of interest or annual payments arise on the Notes, such payments would not be regarded as payments having an Irish source for the purposes of Irish taxation.

Accordingly, on the basis that the Issuer is not managed or controlled in Ireland nor does the Issuer operate in Ireland through a branch or agency with which the issue of the Notes is connected, nor are the Notes located in Ireland then none of these persons will be obliged to deduct any amount on account of Irish tax from payments made in connection with the Notes.

Irish encashment tax

Payments on any Notes paid by a paying agent in Ireland or to an agent in Ireland on behalf of the related Noteholder may be subject to Irish encashment tax at the standard rate of Irish income tax (currently 20 per cent.), unless it is proved, on a claim made in the required manner to the Revenue Commissioners of Ireland, that the beneficial owner of the relevant Notes entitled to the interest or distribution is not resident in Ireland for the purposes of Irish tax and such interest or distribution is not deemed, under the provisions of Irish tax legislation, to be income of another person that is resident in Ireland.

Savings Directive

The Savings Directive has been enacted into Irish legislation.

Since 1 January 2004, where any person in the course of a business or profession carried on in Ireland makes an interest payment (which may include any payments of interest or similar income if made by a paying agent located in Ireland) to, or secures an interest payment for the immediate benefit of, the beneficial owner of that interest, where that beneficial owner is an individual, that person must, in accordance with the methods prescribed in the legislation, establish the identity and residence of that beneficial owner.

Where such a person makes such a payment to a "residual entity" then that interest payment is a "deemed interest payment" of the "residual entity" for the purpose of this legislation. A "residual entity", in relation to "deemed interest payments", must, in accordance with the methods prescribed in this legislation, establish the identity and residence of the beneficial owners of the interest payments received that are comprised in the "deemed interest payments".

"Residual entity" means a person or undertaking established in Ireland or in another Member State or in an **"associated territory"** to which an interest payment is made for the benefit of a beneficial owner that is an individual, unless that person or undertaking is within the charge to corporation tax or a tax corresponding to corporation tax, or it has, in the prescribed format for the purposes of this legislation, elected to be treated in the same manner as an undertaking for collective investment in transferable securities within the meaning of the UCITS Directive 85/611/ECC, or it is such an entity or it is an equivalent entity established in an "associated territory", or it is a legal person (not being an individual) other than certain Finnish or Swedish legal persons that are excluded from the exemption from this definition in the Directive.

Procedures relating to the reporting of details of payments of interest (or similar income) made by any person in the course of a business or profession carried on in Ireland, to beneficial owners that are individuals or to residual entities resident in another Member State or an "associated territory" and procedures relating to the reporting of details of deemed interest payments made by residual entities where the beneficial owner is an individual resident in another Member State or an "associated territory", apply since 1 July 2005. For the purpose of these paragraphs, "associated territory" means Aruba, Netherlands Antilles, Jersey, Guernsey, Gibraltar, Isle of Man, Anguilla, British Virgin Islands, Cayman Islands, Montserrat and Turks and Caicos Islands, Andorra, Liechtenstein, Monaco, San Marino and the Swiss Confederation.

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

LUXEMBOURG TAXATION

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*impôt de solidarité*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding tax

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.

However, where a paying agent established in Luxembourg is appointed, payments of interest or similar income made or ascribed by such paying agent to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will, under the Laws implementing the Savings Directive and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the **Territories**), 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 levied at a rate of 20 per cent. and will be levied at a rate of 35 per cent. as of 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 20 per cent.

Resident holders of Notes

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

However, where a paying agent established in Luxembourg is appointed, 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 who is resident of Luxembourg will, under the Law, 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.

Income taxation

Non-resident holders of Notes

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

Resident holders of Notes

A corporate holder of Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual holder of Notes, acting in the course of the management of a professional or business undertaking.

A holder of Notes that is governed by the law of 31 July 1929, on pure holding companies, as amended (and as applicable during the transitional period until 30 December 2010) or by the law of 11 May 2007 on family estate management companies, or by the law of 20 December 2002 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes.

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual holder of the Notes has opted for the application of a 10% tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), or in a state that has entered into a treaty with Luxembourg relating to the Savings Directive. A gain realised by an individual holder of Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if withholding tax has been levied on such interest in accordance with the Law.

Net wealth taxation

A corporate holder of Notes, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the holder of Notes is governed by the law of 31 July 1929 on pure holding companies, as amended, or by the law of 11 May 2007 on family estate management companies, or by the law of 20 December 2002 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

An individual holder of Notes, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Other taxes

Neither the issuance nor the transfer of Notes will give rise to any Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties.

Where a holder of Notes is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed or recorded in Luxembourg.

NETHERLANDS TAXATION

General

The following summary describes the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations thereof. This summary is intended as general information only for holders of Notes who are residents or deemed residents of the Netherlands for Netherlands tax purposes. Each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

This summary is based on the tax legislation, published case law, treaties, regulations and published policy, in force as of the date of this Prospectus, though it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (i) holders of Notes holding a substantial interest (*aanmerkelijk belang*) in the Issuer. Generally speaking, a holder of Notes holds a substantial interest in the Issuer, if such holder of Notes, alone or, where such holder is an individual, together with his or her partner (statutory defined term) or certain other related persons, directly or indirectly, holds (i) an interest of 5 percent or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;
- (ii) investment institutions (*fiscale beleggingsinstellingen*) and exempt investment institutions (*vrijgestelde fiscale beleggingsinstellingen*); and
- (iii) pension funds or other entities that are exempt from Netherlands corporate income tax.

For the purpose of the Netherlands tax consequences described herein, it is assumed that the Issuer is neither a resident nor deemed to be a resident of the Netherlands for Netherlands tax purposes.

Netherlands withholding tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Netherlands corporate and individual income tax

If a holder is resident or deemed to be resident of the Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of its enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (up to a maximum rate of 25.5 per cent.).

If an individual holder is resident or deemed to be resident of the Netherlands for Netherlands tax purposes (including the individual holder who has opted to be taxed as a resident of the Netherlands), income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates of the Netherlands income tax act 2001 (up to a maximum rate of 52 per cent.), if:

- (i) the holder has an enterprise or an interest in an enterprise, to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) applies to the holder of the Notes, taxable income with regard to the Notes must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of 4 per cent. of the average of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return on income from savings and investments of 4 per cent. will be taxed at a rate of 30 per cent.

Netherlands gift and inheritance taxes

Generally, gift and inheritance taxes will be due in the Netherlands in respect of the acquisition of the Notes by way of a gift by, or on the death of, a holder that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death.

A holder of the Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, if he or she has been resident in the Netherlands during the 10 years preceding the gift or his or her death. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift tax if he or she has been resident in the Netherlands at any time during the 12 months preceding the time of the gift. The same 12-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

Netherlands value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of the cash payment made under the Notes, or in respect of a transfer of Notes.

Other Netherlands taxes and duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty, will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

Savings Directive

As regards Netherlands taxation, the Savings Directive has been implemented in Netherlands tax legislation by law dated 18 December 2003, Stb. 2003, 531.

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

UK TAXATION

The following comments are of a general nature, apply only to persons who are the beneficial owners of Notes and are a summary of the Issuer's understanding of current law and practice in the United Kingdom relating to certain aspects of United Kingdom taxation. Some aspects do not apply to certain classes of person (such as dealers) to whom special rules may apply. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Payments of interest on the Notes

Payments of interest on the Notes may have a United Kingdom source. An amount must generally be withheld from payments of United Kingdom source interest on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, payments of interest on the Notes may nonetheless be made without deduction or withholding on account of United Kingdom income tax provided that the Notes are listed on a "recognised stock exchange" as defined in section 1005 of the Income Tax Act 2007. The Luxembourg Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in Luxembourg in accordance with provisions corresponding to those generally applicable in EEA States and are admitted to trading on the Luxembourg Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Noteholders may wish to note that, in certain circumstances, HM Revenue & Customs (**HMRC**) has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. HMRC also has power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts payable on redemption of Certificates which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise the power referred to above to require this information in respect of amounts payable on redemption of deeply discounted securities where such amounts are paid on or before 5 April 2009. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

Savings Directive

The Savings Directive was implemented into United Kingdom tax law under the Reporting of Savings Income Regulations 2003 (SI 2003/3297), which among other things impose on a paying agent established in the United Kingdom an obligation to report to HMRC certain information with respect to interest payments made to a person resident in another Member State (or any of certain other specified territories) including among other things the name and address of the payee and a detailed list of the different categories of interest paid to that beneficial owner.

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

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in a dealer agreement dated 9 March 2009 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

General

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

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

United States of America

The Notes have not been and will not be registered under the United States Securities Act of 1933 as amended (the **Securities Act**), and subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons as defined under Regulation S. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell the Notes of any identifiable Tranche within the United States, except as permitted by the Dealer Agreement.

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

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

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

Public Offer Selling Restrictions under the Prospectus Directive

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

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, all as shown in its last or, in the case of Sweden, last two annual or consolidated accounts;
- (d) at any time to fewer than 100 natural or legal person (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) 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 on the prospectus to be published when securities are offered to the public or admitted to trading and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

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

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

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, in respect of Notes issued by the Issuer which constitute *obligations* under French law or *titres de créances négociables* under French tax law or other debt securities considered by the French tax authorities as falling into similar categories:

- (a) **Offer to the public in France** – it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period (i) beginning (A) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers (AMF)*, on the date of its publication or (B) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading, on the date of notification of such approval to the AMF and (ii) ending at the latest on the date which is 12 months after the date of approval of such prospectus – all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or

- (b) **Private placement in France** – it has not offered or sold and will not offer or sell, directly or indirectly, Notes (in the case of Notes admitted to trading on Euronext Paris S.A., in connection with their initial distribution) to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals – all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 to D.411-3 of the French *Code monétaire et financier*.

To the extent that Notes do not constitute obligations under French law or titres de créances négociables under French tax law or other debt securities considered by the French tax authorities as falling into similar categories, the relevant selling restrictions will be set out in the applicable Final Terms.

Belgium

The Notes may only be offered or sold, directly or indirectly, to the public in the Kingdom of Belgium in accordance with applicable laws relating to public offerings (which are in particular embodied in the Law of 16 June 2006 on the public offer of investment instruments and the admission to trading of investment instruments on a regulated market as amended or replaced from time to time).

The Notes may not be sold to any person qualifying as a consumer within the meaning of Article 1.7° of the Belgian law of 14th July 1991 on consumer protection and trade practices unless such sale is made in compliance with this law and its implementing regulation.

Italy

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

- (a) to qualified investors (*investitori qualificati*), as defined in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and the relevant implementing CONSOB regulations, as amended from time to time, and in Article 2 of Directive No. 2003/71/EC of 4 November 2003; or
- (b) in other circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of the Financial Services Act and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (**Regulation No. 11971**).

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

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

- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

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

Ireland

Each Dealer has represented and agreed that:

- (iv) it has not offered or sold and will not offer or sell any Notes except in conformity with the provisions of the Prospective Directive (Directive 2003/71/EC), and applicable implementing measures in its relevant jurisdiction or Ireland, and the provisions of the Companies Acts 1963 to 2006 as amended of Ireland and every other enactment that is to be read together with any of those Acts;
- (v) it has only issued or passed on, and will only issue or pass on, any document received by it in connection with the issue of Notes to persons who are persons to whom the document may otherwise lawfully be issued or passed on; and
- (vi) it has complied and will comply with all applicable provisions of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 and any applicable implementing measures in its relevant jurisdiction or Ireland, any applicable code of conduct or practice made thereunder, and it will operate within the terms of its authorisation under the foregoing when providing investment services (as defined in foregoing Directive).

The Netherlands

Each Dealer has represented and agreed that any Notes with a maturity of less than 12 months will either have a minimum denomination of €50,000 or be offered in the Netherlands to professional market parties as defined in the Financial Supervision Act (*Wet op het financieel toezicht*) and the decrees issued pursuant thereto.

Switzerland

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with 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 any offering material in respect of such Notes.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No.25 of 1948, as amended; the **FIEL**) and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), 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 FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Federal Republic of Germany

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

Spain

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, 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.

GENERAL INFORMATION

This Base Prospectus has been approved by the CSSF, as competent authority in Luxembourg for the purposes of the Prospectus Directive. It has not been submitted to the clearance procedures of the AMF.

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 17 November 2008 to Alain FONTENEAU, Valérie BRUNERIE, Alain DEFORGE and Véronique FLOXOLI, acting jointly or separately, the power to issue *obligations foncières* under the Programme, up to a maximum aggregate amount of €8,000,000,000 for one year, which authority will, unless previously cancelled, expire on 17 November 2009.

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 2008.

Except as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2008.

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

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

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.

Pursuant to article R.515-13 IV of the Monetary and Financial Code, the Specific Controller certifies that the rule providing that the amount of Cover Pool Assets of the Issuer is greater than the amount of liabilities benefiting from the *Privilège* is satisfied on the basis of a quarterly borrowing programme 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.

Mazars (formerly Mazars & Guérard) (represented by Hervé HELIAS, Exaltis – 61 rue Henri Regnault, 92400 Courbevoie, France) has audited and rendered an unqualified audit report on the non-consolidated financial statements of the Issuer for the year ended 31 December 2007. Mazars (represented by Hervé HELIAS, Exaltis – 61 rue Henri Regnault, 92400 Courbevoie, France) and PricewaterhouseCoopers Audit (represented by Patrice MOROT, 63 rue de Villiers, 92208 Neuilly-

sur-Seine Cedex, France) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the year ended 31 December 2008. The Issuer's statutory auditors are registered with the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (Regional Association of Statutory Auditors of Versailles) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors).

This Base Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of this Base Prospectus. The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) during a period of 12 months from the date of this Base Prospectus.

In addition, should the Notes be admitted to trading on a Regulated Market other than the Regulated Market of the Luxembourg Stock Exchange, 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 (i) the Regulated Market where the Notes have been admitted to trading or (ii) the competent authority of the member state of the EEA where the Notes have been admitted to trading.

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):

- (i) the *statuts* of the Issuer;
- (ii) the audited non-consolidated financial statements of the Issuer in respect of the financial years ended 31 December 2007 and 31 December 2008;
- (iii) Final Terms for Notes that are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or any other Regulated Market;
- (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).

Issuer

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United Kingdom

Dealer

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Fiscal Agent and Principal Paying Agent

BNP Paribas Securities Services

Global Corporate Trust
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Calculation Agent and Luxembourg Listing Agent

BNP Paribas Securities Services, Luxembourg Branch

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Luxembourg

Auditors to the Issuer

PricewaterhouseCoopers Audit

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92208 Neuilly-sur-Seine Cedex
France

Mazars

Exaltis – 61 rue Henri Regnault
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Legal Adviser to the Arranger and the Dealer

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