

Prospectus dated 15 June 2015



# BNP PARIBAS

## BNP PARIBAS

(incorporated in France)

### Series No: 17359

### Tranche: 1

## Issue of €750,000,000 Perpetual Fixed Rate Resettable Additional Tier 1 Notes

### Under the €90,000,000,000

## EURO MEDIUM TERM NOTE PROGRAMME

The €750,000,000 Perpetual Fixed Rate Resettable Additional Tier 1 Notes (the "**Notes**") will be issued by BNP Paribas ("**BNPP**", the "**Issuer**" or the "**Bank**") on 17 June 2015 (the "**Issue Date**") under its €90,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). The principal and interest of the Notes will constitute direct, unsecured and deeply subordinated obligations of the Issuer, as described in Condition 4 (*Status of the Notes*) in "Terms and Conditions of the Notes".

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L. 228-97 of the French *Code de commerce*.

The Notes shall bear interest on the Prevailing Outstanding Amount (as defined in Condition 2 (*Interpretation*) in "Terms and Conditions of the Notes") at the applicable Rate of Interest from (and including) the Issue Date and interest shall be payable semi-annually in arrear on 17 June and 17 December in each year commencing on 17 December 2015. The amount of interest per Calculation Amount payable on each interest payment date in relation to an Interest Period falling in the period from (and including) the Issue Date to (but excluding) 17 June 2022 (the "**First Call Date**") will be €61.25.

The rate of interest will reset on the First Call Date and on each five-year anniversary thereafter (each, a "**Reset Date**"). The rate of interest for each Interest Period occurring after each Reset Date will be equal to the Reset Rate of Interest which amounts to the sum of (a) the 5-Year Swap Rate plus (b) the Margin (5.23 per cent.), as determined by the Calculation Agent, as described in "Terms and Conditions of the Notes".

The Issuer may elect or may be required to cancel the payment of interest on the Notes (in whole or in part) on any Interest Payment Date as set out in "Terms and Conditions of the Notes – Cancellation of Interest Amounts". Interest that is cancelled will not be due on any subsequent date, and the non-payment will not constitute a default by the Issuer.

The Notes are perpetual obligations and have no fixed maturity date. Noteholders do not have the right to call for their redemption. The Issuer may, subject to the prior approval of the Relevant Regulator, redeem the Notes in whole, but not in part, on the First Call Date or any Interest Payment Date thereafter at their Original Principal Amount or at any time following the occurrence of a Capital Event or a Tax Event at the Prevailing Outstanding Amount (each term as defined in "Terms and Conditions of the Notes").

**The Prevailing Outstanding Amount of the Notes will be written down if the Issuer's CET 1 Ratio on a consolidated basis falls below 5.125 per cent. (each term as defined in Condition 2 (*Interpretation*) in "Terms and Conditions of the Notes"). Noteholders may lose some or all of their investment as a result of a Write Down. Following such reduction, some or all of the principal amount of the Notes may, at the Issuer's discretion, be reinstated, up to the Original Principal Amount, if certain conditions are met. See Condition 6 (*Write-Down and Reinstatement*) in "Terms and Conditions of the Notes". If a Capital Event or a Tax Event has occurred and is continuing, the Issuer may further substitute all of the Notes or vary the terms of all of the Notes, without the consent or approval of Noteholders, so that they become or remain Compliant Securities (as defined in Condition 7.5 (*Substitution/Variation*)).**

This document (the "**Prospectus**") constitutes a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC of 4 November 2003, as amended (the "**Prospectus Directive**").

The Notes are governed by English law except Condition 4 (*Status of the Notes*) which is governed by French law. The Notes will be in bearer form and in the denominations of €200,000 and integral multiples of €1,000 in excess thereof up to and including €399,000, see Condition 3.1 and "General Description of the Notes". The Notes will initially be represented by a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or about the Issue Date with a common depository for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the "**Permanent Global Note**") and, together with the Temporary Global Note, the "**Global Notes**", without interest coupons, on or after 27 July 2015, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances - see "Overview of Provisions relating to the Notes while represented by the Global Notes".

Application has been made to the *Autorité des marchés financiers* (the "**AMF**") in France for approval of this Prospectus in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive on the prospectus to be published when securities are offered to the public or admitted to trading in France.

Application has been made for the Notes to be admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. Such admission to trading is expected to occur as of the Issue Date or as soon as practicable thereafter.

The Notes are expected to be rated BB+ by Standard & Poor's Credit Market Services France SAS ("**Standard & Poor's**"), Ba1 by Moody's Investors Service Ltd. ("**Moody's**") and BBB- by Fitch France S.A.S. ("**Fitch France**"). The Issuer's long-term credit ratings are A+ with a negative outlook (Standard & Poor's), A1 with a stable outlook (Moody's) and A+ with a stable outlook (Fitch France). Each of Standard & Poor's, Moody's and Fitch France is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Standard & Poor's, Moody's and Fitch France is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time.

Copies of this Prospectus will be available (a) free of charge from the head office of the Issuer at the address given at the end of this Prospectus and (b) on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and of the Issuer ([www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)).

*An investment in the Notes involves certain risks. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. For a discussion of these risks see "Risk Factors" below.*

*The Notes are not intended to be sold and should not be sold to retail clients in the European Economic Area ("EEA"), as defined in the rules set out in the Temporary Marketing Restriction (Contingent Convertible Securities) Instrument 2014 (as amended or replaced from time to time), other than in circumstances that do not and will not give rise to a contravention of those rules by any person. Prospective investors are referred to the section headed "Restrictions on marketing and sales to retail investors" on page 5 of this Prospectus for further information.*

**Global Coordinator and Structuring Advisor**

**BNP PARIBAS**

**Joint Lead Manager and Sole Bookrunner**

**BNP Paribas UK Limited**

**Joint Lead Managers**

**ABN Amro Bank**

**Banca IMI**

**Barclays**

**Danske Bank**

**ING**

**Lloyds**

**Santander Global Banking & Markets**

**The Royal Bank of Scotland**

*This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference as described in "Documents Incorporated by Reference" below. This Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Prospectus.*

*The Managers (as defined in "Subscription and Sale" below) have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Managers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. The Managers accept no liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes.*

*No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any further information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Managers.*

*In connection with the issue and sale of Notes, neither the Issuer nor its affiliates will, unless agreed to the contrary in writing, act as a financial adviser to any Noteholder.*

*Neither this Prospectus nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as recommendations by the Issuer or any of the Managers that any recipient of this Prospectus or any other information supplied in connection with the Notes should purchase the Notes. Each investor contemplating purchasing the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Managers to any person to subscribe for or to purchase the Notes.*

*The delivery of this Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date of this Prospectus or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Prospective investors should review, inter alia, the most recently published audited annual consolidated financial statements, unaudited semi-annual interim consolidated financial statements and quarterly financial results of the Issuer, when deciding whether or not to purchase the Notes.*

*This Prospectus does not constitute, and may not be used for or in connection with, an offer to any person to whom it is unlawful to make such offer or a solicitation by anyone not authorised so to act.*

*The distribution of this Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of the Notes in the European Economic Area ("**EEA**") (and certain member states thereof) and the United States (see "Subscription and Sale" below).*

*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 jurisdiction of the United States, and the Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered 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**") (see "Subscription and Sale" below).*

*This Prospectus 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 Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus in relation to the*

offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Manager have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and/or the Managers do not represent that this Prospectus may be lawfully distributed, or that 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 and/or the Managers which is intended to permit a public offering of Notes or distribution of this 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 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 Prospectus or Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States and the European Economic Area (including France and the United Kingdom), see "Subscription and Sale" below.

**IN CONNECTION WITH THE ISSUE OF THE NOTES, BNP PARIBAS UK LIMITED AS STABILISING MANAGER (THE "STABILISING MANAGER") (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER) 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 (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 FINAL TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF THIRTY (30) DAYS AFTER THE ISSUE DATE OF THE NOTES AND SIXTY (60) DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

In this Prospectus, references to "euro", "EURO", "Euro", "EUR" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union and as amended by the Treaty of Amsterdam.

#### **FORWARD-LOOKING STATEMENTS**

The 2013 Registration Document, the 2014 Registration Document and the First Update to the 2014 Registration Document (as defined below) contain forward-looking statements. BNP Paribas and the BNP Paribas Group (being BNP Paribas together with its consolidated subsidiaries, the "Group") may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Issuer's and/or Group's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and the Issuer and the Group undertake no obligation to update publicly any of them in light of new information or future events.

#### **PRESENTATION OF FINANCIAL INFORMATION**

Most of the financial data presented or incorporated by reference in this Prospectus is presented in euros.

BNP Paribas consolidated financial statements for the years ended 31 December 2014 and 31 December 2013 have been prepared in accordance with international financial reporting standards ("IFRS") as adopted by the European Union. The Group's fiscal year ends on 31 December and references in the 2014 Registration Document and 2013 Registration Document (both as defined below) to any specific fiscal year are to the twelve-month period ended 31 December of such year.

Due to rounding, the numbers presented or incorporated by reference throughout this Prospectus, the First Update to the 2014 Registration Document, the 2014 Registration Document or the 2013 Registration Document (each as defined below) may not add up precisely, and percentages may not reflect precisely absolute figures.

### **RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS**

The Notes discussed in this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes to retail investors.

In particular, in August 2014, the United Kingdom Financial Conduct Authority (the "FCA") published the Temporary Marketing Restriction (Contingent Convertible Securities) Instrument 2014 (as amended or replaced from time to time, the "TMR") which took effect on 1 October 2014. Under the rules set out in the TMR (as amended or replaced from time to time, the "TMR Rules"), certain contingent write-down or convertible securities, such as the Notes, must not be sold to retail clients in the EEA and nothing may be done that would or might result in the buying of such securities or the holding of a beneficial interest in such securities by a retail client in the EEA (in each case within the meaning of the TMR Rules), other than in accordance with the limited exemptions set out in the TMR Rules.

Certain of the Joint Lead Managers are required to comply with the TMR Rules. By purchasing, or making or accepting an offer to purchase, any Notes from the Issuer and/or the Joint Lead Managers each prospective investor will be deemed to represent, warrant, agree with and undertake to the Issuer and each of the Joint Lead Managers that:

- (a) it is not a retail client in the EEA (as defined in the TMR Rules);
- (b) whether or not it is subject to the TMR Rules, it will not sell or offer the Notes to retail clients in the EEA or do anything (including the distribution of this Prospectus) that would or might result in the buying of the Notes or the holding of a beneficial interest in the Notes by a retail client in the EEA (in each case within the meaning of the TMR Rules) other than (i) in relation to any sale or offer to sell Notes to a retail client in or resident in the United Kingdom, in circumstances that do not and will not give rise to a contravention of the TMR Rules by any person and/or (ii) in relation to any sale or offer to sell Notes to a retail client in any EEA member state other than the United Kingdom, where (x) it has conducted an assessment and concluded that the relevant retail client understands the risks of an investment in the Notes and is able to bear the potential losses involved in an investment in the Notes and (y) it has at all times acted in relation to such sale or offer in compliance with the Markets in Financial Instruments Directive (2004/39/EC) ("MiFID") to the extent it applies to it or, to the extent MiFID does not apply to it, in a manner which would be in compliance with MiFID if it were to apply to it; and
- (c) it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA) relating to the promotion, offering, distribution and/or sale of the Notes, including any such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Notes by investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes from the Issuer and/or the Joint Lead Managers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

## Table of Contents

Risk Factors .....	7
General Description of the Notes .....	20
Documents Incorporated by Reference .....	25
Terms and Conditions of the Notes .....	30
Overview of Provisions relating to the Notes while in Global Form .....	47
Description of the Issuer .....	49
Use of Proceeds .....	50
Taxation .....	51
Subscription and Sale .....	54
General Information .....	55

## RISK FACTORS

**Prospective purchasers of Notes should carefully consider the following information in conjunction with the other information contained in this Prospectus (including the documents incorporated by reference see "Documents Incorporated by Reference" below) before purchasing Notes.**

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in the 2014 Registration Document incorporated by reference herein a number of factors which could materially adversely affect its business and ability to make payments due under the Notes.

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

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Terms used in this section and not otherwise defined have the meanings given to them in the Terms and Conditions of the Notes.

### **Risks Relating to the Issuer and its Industry**

See the Chapter 5 ("Risks and Capital Adequacy") contained on pages 245 to 364 of the 2014 Registration Document which is incorporated by reference in this Prospectus.

### **Risk Factors Relating to the Notes**

In addition to the risks relating to the Issuer (including the default risk) that may affect the Issuer's ability to fulfil its obligations under the Notes there are certain factors which are material for the purpose of assessing the risks associated with an investment in the Notes.

*The Notes are a novel and complex form of security and may not be a suitable investment for all investors.*

The Notes are a novel and complex form of security. As a result, an investment in the Notes will involve certain increased risks. Each potential investor of the Notes must make its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment, either alone or with the help of a financial adviser. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (d) understand thoroughly the Terms and Conditions of the Notes, such as the provisions governing a Write Down and cancellation of interest, understand under what circumstances a Trigger Event will or may be deemed to occur, be familiar with the behaviour of financial markets and their potential impact on the likelihood of a Trigger Event, a Capital Event or a Tax Event occurring, and of any financial variable which might have an impact on the return on the Notes; and

- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment, the Write Down of the Notes and its ability to bear the applicable risks.

Prospective purchasers should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes.

*Noteholders of deeply subordinated Notes generally face an enhanced performance risk compared to holders of senior notes as well as an enhanced risk of loss in the event of the Issuer's insolvency.*

The Issuer's obligations in respect of the Notes and Coupons are direct, unsecured and deeply subordinated and will rank *pari passu* among themselves and *pari passu* with all other present and future Deeply Subordinated Obligations of the Issuer, but shall be subordinated to the present and future *prêts participatifs* granted to the Issuer and present and future *titres participatifs*, Eligible Subordinated Obligations and Unsubordinated Obligations issued by the Issuer as more fully described in the "Terms and Conditions of the Notes – Status of the Notes".

There is a substantial risk that investors in deeply subordinated notes such as the Notes will lose all or some of their investment should the Issuer become insolvent. Thus, Noteholders face an enhanced performance risk compared to holders of senior notes.

If a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or if the Issuer is liquidated for any other reason, the rights of payment of the Noteholders will be subordinated to the payment in full of the unsubordinated creditors of the Issuer and any other creditors that are senior to the Notes. In the event of incomplete payment of unsubordinated creditors and subordinated creditors ranking ahead of the claims of the Noteholders, the obligations of the Issuer in connection with the principal of the Notes will be terminated. The Noteholders shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

*Redemption at the option of the Issuer.*

The Issuer may, subject to the prior approval of the Relevant Regulator, redeem the Notes in whole, but not in part, on the First Call Date or any Interest Payment Date thereafter at their Original Principal Amount or at any time following the occurrence of a Capital Event or a Tax Event at the Prevailing Outstanding Amount (each term as defined in "Terms and Conditions of the Notes").

If any such event occurs, this may limit the market value of the Notes and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

The yield received upon redemption may be lower than expected (in particular if the market interest rates decrease), and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, the Noteholder may not receive the total amount of the capital invested. In addition, investors who choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Any early redemption of the Notes (including through an Issuer call option) can only be made with the prior written consent of the Relevant Regulator. Further, Article 78 of the CRR provides that any redemption of tier 1 or tier 2 instruments, including the Notes, is subject to the prior consent of the Relevant Regulator which would be conditional on (i) the replacement of regulatory capital with own funds instruments of equal or higher quality, in the same amount and at terms that are sustainable for the income capacity of the Issuer, or (ii) without a replacement of regulatory capital, on the Issuer demonstrating that its own funds would, following the redemption in question, exceed the minimum regulatory capital requirements. Article 78 of the CRR also provides that the Relevant Regulator may permit institutions to redeem additional tier 1 instruments (including the Notes) before five years of the date of issue only where the aforementioned conditions (i) and (ii) and point (a) or (b) of this paragraph are met:

- (a) there is a change in the regulatory classification of those instruments that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds, and both the following conditions are met:

- (i) the Relevant Regulator considers such a change to be sufficiently certain;
  - (ii) the institution demonstrates to the satisfaction of the Relevant Regulator that the regulatory reclassification of those instruments was not reasonably foreseeable at the time of their issuance;
- (b) there is a change in the applicable tax treatment of those instruments which the institution demonstrates to the satisfaction of the competent authorities is material and was not reasonably foreseeable at the time of their issuance.

*No scheduled redemption.*

The Notes are undated securities in respect of which there is no fixed redemption or maturity date. The Issuer is under no obligation to redeem the Notes at any time and, in any event, subject always to the prior consent of the Relevant Regulator (as defined in "Terms and Conditions of the Notes"). There will be no redemption at the option of the Noteholders.

*French law currently in force and European legislation regarding the resolution of financial institutions may require the write-down or conversion of the Notes in the event that the Issuer is deemed to be at the point of non-viability.*

The French law dated 26 July 2013 on separation and regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) (the "**SRAB Law**") that anticipated the implementation of the BRRD (as defined below) has established, among other things, a resolution regime applicable to French credit institutions and investment firms that gives resolution powers to a new resolution board of the French Prudential Supervisory Authority, renamed the *Autorité de contrôle prudentiel et de résolution* ("**ACPR**"). The SRAB Law provides that the French resolution board may, at its discretion, when the point of non-viability is reached, take resolution measures such as the transfer of shares or assets to an acquirer or a bridge bank. It may also cancel or reduce share capital, and subsequently if necessary write down, cancel or convert to equity deeply subordinated notes (including the Notes), *titres participatifs* and any other low ranking subordinated notes whose terms provide that they absorb losses on a going concern basis and thereafter do the same with other subordinated instruments.

On 15 May 2014, the Council of the European Union adopted the Directive 2014/59/EU of the Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**"). The BRRD will now have to be implemented in France and in this regard French law no. 2014-1662 dated 30 December 2014 entitled "*Loi portant diverses dispositions d'adaptation au droit de l'Union européenne en matière économique et financière*" has granted to the French Government the right to implement the BRRD by ordinance by 31 August 2015. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in a failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures or supervisory action would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest:

- (i) the sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms;
- (ii) the creation and use of a bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);
- (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and

(iv) bail-in which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims including Notes to equity, which equity could also be subject to any future application of the bail-in tool.

In addition to the bail-in tool, the BRRD grants to the Relevant Regulator a statutory "write-down and conversion power" granting the Relevant Regulator the same power as in (iv) above.

The BRRD also provides the right for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

When applying bail-in or a statutory write-down and conversion power, the resolution authority must first reduce or cancel common equity tier one, thereafter reduce, cancel, convert additional tier one instruments (including the Notes), then tier two instruments and other subordinated debts to the extent required and up to their capacity. If the debt bail-in or statutory write-down and conversion power has entered into force and only if this total reduction is less than the amount needed, the resolution authority will reduce or convert to the extent required the principal amount or outstanding amount payable in respect of unsecured creditors in accordance with the hierarchy of claims in normal insolvency proceedings.

The BRRD provides that it will be applied by Member States from 1 January 2015, except for the debt bail-in tool which is to be applied from 1 January 2016 at the latest. Many of the provisions contained in the BRRD are similar in effect to provisions already contained in the SRAB Law.

The SRAB Law has already entered into force in France, the provisions of the SRAB Law will however need to be amended to reflect the final version of the BRRD. The amendments which will be made to reflect the BRRD in the future remain unknown at this stage.

The powers set out in the BRRD and, to a certain extent, the powers already set out in the SRAB Law, will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

When the debt bail-in tool and the statutory write-down and conversion power will become applicable to the Issuer, the Notes may be subject to write-down or conversion into equity on any application of the bail-in tool, which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD and the SRAB Law or any suggestion of such exercise could materially adversely affect the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes.

Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund has established a centralised power of resolution and entrusted to a Single Resolution Board and to the national resolution authorities. Starting on 1 January 2015, the Single Resolution Board works in close cooperation with the ACPR, in particular in relation to the elaboration of resolution planning, and will assume full resolution powers, on 1 January 2016 provided that the conditions for the transfer of contributions to the Single Resolution Fund are met by that date.

*The Issuer is not required to redeem the Notes in the case of a Gross-Up Event.*

There is uncertainty as to whether gross-up obligations in general, including those under the Terms and Conditions of the Notes, are enforceable under French law. If any payment obligations under the Notes, including the obligations to pay additional amounts under Condition 9, are held to be illegal or unenforceable under French law, the Issuer will have the right, but not the obligation, to redeem the Notes. Accordingly, if the Issuer does not redeem the Notes upon the occurrence of a Gross-Up Event

as described in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*), Noteholders may receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected.

*There are no events of default under the Notes.*

The Terms and Conditions of the Notes do not provide for events of default allowing acceleration of the Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

*In certain circumstances, the Issuer may decide not to pay interest on the Notes or be required not to pay such interest.*

As the Notes are intended to qualify as additional tier 1 capital under CRD IV, in certain circumstances, the Issuer may elect at its sole discretion, or will be required, not to pay all or some of the Interest Amounts falling due on the Notes on any Interest Payment Date.

The Issuer will be required to cancel the payment of all or some of the Interest Amounts falling due on the Notes: (a) if and to the extent that the Interest Amounts, when aggregated together with distributions on all other own funds instruments (not including any Tier 2 instruments) paid or scheduled for payment in the then-current financial year exceed the amount of Distributable Items; and (b) if and to the extent that such payment would cause, when aggregated together with distributions of the kind referred to in Article 141(2) of CRD IV, the Maximum Distributable Amount then applicable to the Issuer to be exceeded. See Condition 5.9 of the Notes (*Cancellation of Interest Amounts*). As of 31 December 2014, distributable retained earnings of the Issuer amounted to €20.6bn.

In addition to the "Pillar 1" capital requirements set out in CRD IV, CRD IV contemplates that competent authorities may require additional "Pillar 2" capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum "own funds" requirements ("**additional own funds requirements**") or to address macro-prudential requirements.

The European Banking Authority ("**EBA**") published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process ("**SREP**") which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements and which is to be implemented by 1 January 2016. These guidelines contemplate that national supervisors should set by 1 January 2019 (or earlier, if they so decide at their discretion) a requirement to cover certain risks with additional own funds which is composed of at least 56% common equity tier 1 capital and at least 75% tier 1 capital and the remainder in tier 2 capital. The guidelines also contemplate that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements. There can be no assurance as to the relationship between the "Pillar 2" additional own funds requirements and the restrictions on discretionary payments referred herein and as to how and when effect will be given to the EBA's minimum guidelines in France, including as to the consequences for an institution of its capital levels falling below the minimum, buffer and additional requirements. There can also be no assurance as to the applicable future "Pillar 2" additional own funds requirements (since such requirements may change from time to time), as to the manner in which "Pillar 2" additional own funds requirements may be disclosed publicly in the future or that such restrictions will not cease to apply.

The Issuer and the Group's capital requirements are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors. Noteholders may not be able to predict accurately the proximity of the risk of discretionary payments (of interest and principal) on the Notes being prohibited from time to time as a result of the operation of Article 141(2) of CRD IV.

The implementation of Article 141(2) of CRD IV in France, including its inter-relationship with the minimum and additional capital requirements, buffers and macro-prudential tools (including the calculation of the Maximum Distributable Amount), remains uncertain in many respects. Such uncertainty can be expected to continue while the relevant authorities in the European Union and France continue to develop their approach to the application of the relevant rules.

Current regulatory proposals may also, if adopted and once implemented, impose further restrictions on the Issuer's ability to make payments on the Notes. For example, recent proposals made by the Financial Stability Board recommend the adoption of total loss absorbing capacity ("**TLAC**") requirements for global systemically important banks in addition to existing minimum regulatory capital requirements. The proposals currently contemplate that only common equity tier 1 capital in excess of that required to satisfy minimum TLAC requirements may count towards regulatory capital buffers, such as the combined buffer requirement introduced by CRD IV. As a result, the introduction of such additional capital requirements may impact the Issuer's ability to meet the "combined buffer requirement", which in turn, might impact its ability to make payments on the Notes (which could affect the market value of the Notes), as it will trigger restrictions relating to Maximum Distributable Amounts.

Any interest not paid on any Interest Payment Date shall be cancelled and shall no longer be due and payable by the Issuer. A cancellation of interest pursuant to Condition 5.9 (*Cancellation of Interest Amounts*) does not constitute a default under the Notes for any purpose. Furthermore, it is possible that Interest Amounts on the Notes will be cancelled, while junior securities remain outstanding and the holders thereon continue to receive payments.

In determining any proposed dividend and the appropriate payout ratio, the Issuer will consider, among other things, the expectation of servicing more senior securities. The Notes are senior in rank to ordinary shares. It is the Issuer's current intention that, whenever exercising its discretion to declare ordinary share dividends, or its discretion to cancel interest on the Notes, the Issuer will take into account, among other factors, the relative ranking of these instruments in the capital structure.

*The principal amount of the Notes may be reduced to absorb losses.*

The Notes are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as additional tier 1 capital of the Issuer under CRD IV. Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Terms and Conditions of the Notes. One of these relates to the ability of the Notes and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, if the Group's then applicable CET 1 Ratio falls below 5.125 per cent., the Prevailing Outstanding Amount of the Notes shall be reduced. See also Condition 6 of the Notes (*Write-Down and Reinstatement*).

The Issuer's current and future outstanding junior securities might not include write-down or similar features with triggers comparable to those of the Notes. As a result, it is possible that the Notes will be subject to a Write-Down, while junior securities remain outstanding and continue to receive payments.

Holders may lose all or some of their investment as a result of a Write Down or of reaching the point of non-viability. In addition, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason prior to the Notes being written up in full pursuant to Condition 6, Noteholders' claims for principal will be based on the reduced Prevailing Outstanding Amount of the Notes. Further, during the period of any Write Down pursuant to Condition 6, interest will accrue on the Prevailing Outstanding Amount of the Notes and, upon the occurrence of a Capital Event or a Tax Event, the Notes may be redeemed (subject to certain conditions) at the Prevailing Outstanding Amount, which will be lower than the Original Principal Amount.

The extent to which the Issuer makes a profit from its operations (if any) or the extent to which it has reduced its risk-weighted assets will affect whether the principal amount of the Notes may be reinstated to their Original Principal Amount. The Issuer will not in any circumstances be obliged to write up the principal amount of the Notes, but any write up must be undertaken on a pro rata basis with any other Tier 1 instruments providing for a reinstatement of principal amount in similar circumstances (see definition of Discretionary Temporary Loss Absorption Instruments in Condition 2 of the Notes (*Interpretation*)). See Condition 6.3 of the Notes (*Reinstatement*).

The market price of the Notes is expected to be affected by fluctuations in the Group's CET 1 Ratio. Any indication that the Group's CET 1 Ratio is trending towards 5.125 per cent may have an adverse effect on the market price of the Notes. The level of the Group's CET 1 Ratio may significantly affect the trading price of the Notes.

*The Group's CET 1 Ratio will be affected by a number of factors, any of which may be outside the Issuer's control, as well as by its business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the Noteholders.*

The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, any of which may be outside the Issuer's control. The calculation of the Group's CET 1 Ratio could be affected by one or more factors, including, among other things, changes in the mix of the Group's business, major events affecting its earnings, dividend payments by the Issuer, regulatory changes (including changes to definitions and calculations of regulatory capital ratios and their components) and the Group's ability to manage risk-weighted assets in both its ongoing businesses and those which it may seek to exit. Such ratio will also depend on the Group's decisions relating to its businesses and operations, as well as the management of its capital position, and may be affected by changes in applicable accounting rules, or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. The Issuer will have no obligation to consider the interests of Noteholders in connection with its strategic decisions, including in respect of its capital management. Noteholders will not have any claim against the Issuer or any other member of the Group relating to decisions that affect the business and operations of the Group, including its capital position, regardless of whether they result in the occurrence of the relevant trigger event. Such decisions could cause Noteholders to lose all or part of the value of their investment in the Notes.

*Substitution and variation of the Notes without Noteholder consent.*

Subject as provided herein, the Issuer may, at its option, and without the consent or approval of the Noteholders, elect either to substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, so that they become or remain Compliant Securities. Compliant Securities are securities issued directly or indirectly by the Issuer that have terms not materially less favorable to the Noteholders than the terms of the Notes. See Condition 7.5 (*Substitution/Variation*).

*Upon the occurrence of a Trigger Event there will be a Write Down of the Notes even if other regulatory capital instruments of the Bank are not written down or converted into shares.*

The terms and conditions of other regulatory capital instruments already in issue or to be issued after the date hereof by the Bank may vary and accordingly such instruments may not be written down at the same time, or to the same extent, as the Notes, or at all. Alternatively, such other regulatory capital instruments may provide that they shall convert into equity, or be entitled to a write up or other compensation in the event of a potential recovery of the Bank or any other member of the Group or a subsequent change in the financial condition thereof. Upon the occurrence of a Trigger Event, to the extent the prior (or pro rata) write down or conversion of any other regulatory capital instruments issued by the Bank is not applicable under their respective terms, or if applicable, does not occur for any reason, this shall not in any way affect the Write Down of the Notes.

*Risk relating to the change in the Rate of Interest.*

The interest rate of the Notes will be reset as from the First Call Date and on each 5-year anniversary thereafter. The Reset Rate of Interest will be determined two (2) Target Business Days before the Reset Date and as such is not pre-defined at the date of issue of the Notes. The Reset Rate of Interest may be different from the Initial Rate of Interest and may adversely affect the yield of the Notes.

*The value of the Notes may be adversely affected by movements in market interest rates.*

Investors in the Notes are exposed to the risk that if interest rates subsequently increase above the fixed rate paid on the Notes, this will adversely affect the value of the Notes.

Following the Reset Date, interest on the Notes shall be calculated on the basis of the annual mid-swap rate for EUR swap transactions with a maturity of five (5) years. This mid-swap rate is not pre-defined for the lifespan of the Notes. A higher mid-swap rate for EUR swap transactions means a higher interest and a lower mid-swap rate for EUR swap transactions means a lower interest.

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

The market for debt securities is influenced by the economic and market conditions, interest rates, currency exchange rates and inflation rates in Europe and other industrialised countries and areas. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect.

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.*

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes. It is not possible to predict the price at which the Notes will trade in the secondary market. A decrease in the liquidity of an issue of the Notes may cause, in turn, an increase in the volatility associated with the price of such issue of the Notes. A lack of liquidity for the Notes may mean that investors are not able to sell their Notes or may not be able to sell their Notes at a price equal to the price which they paid for them, and consequently investors may suffer a partial or total loss of the amount of their investment.

*A credit rating reduction may result in a reduction in the trading value of the Notes.*

The value of the Notes is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the Issuer. Such perceptions are generally influenced by the ratings accorded to the outstanding securities of the Issuer by standard statistical rating services, such as Moody's, Standard & Poor's and Fitch France. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by one of these or other rating agencies could result in a reduction in the trading value of the Notes.

*The Notes are not expected to be investment grade securities by certain rating agencies and will be subject to the risks associated with non-investment grade securities.*

The Notes, upon issue, are not expected to be considered investment grade securities by certain rating agencies, and as such may be subject to a higher risk of price volatility than higher-rated securities. The trading prices of securities rated below investment grade are often more sensitive to adverse Issuer, political, regulatory, market and economic developments, and may be more difficult to sell, than higher-rated securities.

*The credit rating assigned to the Notes may be reduced or withdrawn.*

A security 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. In particular, such suspension, reduction or withdrawal may result from a change in the rating methodology of the assigning rating agency.

*Credit ratings assigned to the Issuer or the Notes may not reflect all the risks associated with an investment in the Notes.*

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between

certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

*The Notes may be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in Noteholders receiving less interest than expected and could significantly adversely affect their return on Notes.*

#### *Taxation.*

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available in relation to the tax treatment of financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only such adviser is 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 Prospectus.

#### *Withholding under the EU Savings Directive.*

Under Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State. For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Council Directive (the "**Amending Directive**") amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017, and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, the European Commission has proposed the repeal of the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

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 (as defined in the Conditions) nor any other person would be obliged to pay additional amounts with respect to the Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.

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

While the Notes are in global form and held within Euroclear or Clearstream, Luxembourg (together, the "ICSDs"), in all but the most remote circumstances, it is not expected that the new reporting regime and potential withholding tax imposed by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") will affect the amount of any payment received by the ICSDs (see "Taxation – Foreign Account Tax Compliance Act"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has made payment to, or to the order of, the common depository for the ICSDs (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "IGA") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

*Potential Conflicts of Interest.*

The Calculation Agent may be an affiliate of the Issuer and consequently, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgments that the Calculation Agent must make. The Calculation Agent is obligated to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment however, subject to always acting only within the parameters allowed by the Terms and Conditions of the Notes, it has no responsibility to take investors' interests into account.

*The proposed financial transaction tax ("FTT").*

On 14 February 2013, the European Commission has published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by 1 January 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

*The value of the Notes could be adversely affected by a change in English law, French law or administrative practice.*

The Conditions of the Notes are based on English law except Condition 4 (*Statuts of the Notes*) which is governed by French law. No assurance can be given as to the impact of any possible judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of this Prospectus and any such change could materially adversely impact the value of the Notes affected by it.

*The Notes' purchase price may not reflect its inherent value.*

Prospective investors in the Notes should be aware that the purchase price of the Notes does not necessarily reflect its inherent value. Any difference between the Notes' purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Notes. For further information, prospective investors should refer to the party from whom they are purchasing the Notes. Prospective investors may also wish to seek an independent valuation of the Notes prior to their purchase.

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

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

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

*A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.*

Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the Notes.

*Investors who purchase Notes in denominations that are not integral multiples of the specified denomination may be adversely affected if definitive Notes are subsequently required to be issued.*

The Notes have denominations consisting of EUR 200,000 plus one or more higher integral multiples of EUR 1,000. It is possible that such Notes may be traded in amounts that are not integral multiples of EUR 200,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than EUR 200,000 in his account with the relevant clearing system at the relevant time (i) may not be able to transfer such Notes and (ii) may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and in each case would need to purchase a principal amount of Notes such that its holding amounts to a EUR 200,000 denomination.

If such Notes in definitive form are issued, Noteholders should be aware that definitive Notes which have a denomination that is not an integral multiple of EUR 200,000 may be illiquid and difficult to trade.

*As the Notes are held by or on behalf of Euroclear and Clearstream, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer.*

The Notes will be deposited with a common depository for Euroclear and Clearstream. Except in the circumstances described in the Global Notes, investors will not be entitled to receive Notes in

definitive form. Euroclear and Clearstream will maintain records of the beneficial interests in the Global Notes. While the Notes are in global form, investors will be able to trade their beneficial interests only through Euroclear or Clearstream, as the case may be.

While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments to the common depository. A holder of a beneficial interest in the Notes must rely on the procedures of Euroclear and/or Clearstream, as the case may be, to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such a Global Note.

*No limitation on issuing or guaranteeing debt ranking senior or pari passu with the Notes.*

There is no restriction in the Terms and Conditions of the Notes on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders on a winding-up of the Issuer.

*Meetings of Noteholders.*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders and Couponholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 16 (*Notices*).

*French Insolvency Law.*

Under French insolvency law holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

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

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

- partially or totally reschedule payments which are due and/or write-off debts and/or convert debts into equity (including with respect to amounts owed under the Notes); and/or
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances.

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the amount of debt securities held by the holders expressing a vote). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the Meeting of Noteholders set out in the Conditions will not be applicable in these circumstances.

The Relevant Regulator must approve in advance the opening of any safeguard, judicial reorganisation or liquidation procedures.

*Exchange rate risks and exchange controls.*

The Issuer will pay principal and interest on the Notes in euro. 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 euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency or euro may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) 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 as measured in the Investor's Currency.

## GENERAL DESCRIPTION OF THE NOTES

This overview is a general description of the Notes and is qualified in its entirety by the remainder of this Prospectus. For a more complete description of the Notes, including definitions of capitalised terms used but not defined in this section, please see the “Terms and Conditions of the Notes”.

Issuer:	BNP Paribas.
Risk Factors:	There are certain factors that may affect the Issuer’s ability to fulfill its obligations under the Notes. In addition, there are certain factors that are material for the purpose of assessing the market risks associated with investing in the Notes. The risks that the Issuer currently believes to be the most significant are set out under “Risk Factors”.
Notes:	750,000,000 Perpetual Fixed Rate Resettable Additional Tier 1 Notes.
Global Coordinator and Structuring Advisor:	BNP Paribas.
Joint Lead Manager and Sole Bookrunner:	BNP Paribas UK Limited.
Joint Lead Managers:	ABN Amro Bank N.V. Banca IMI S.p.A. Banco Santander, S.A. Barclays Bank PLC Danske Bank A/S ING Bank N.V. Lloyds Bank plc The Royal Bank of Scotland plc
Principal Paying Agent:	BNP Paribas Securities Services, Luxembourg Branch.
Paris Paying Agent	BNP Paribas Securities Services.
Calculation Agent:	BNP Paribas Securities Services.
Issue Date:	17 June 2015.
Maturity Date:	The Notes will have no scheduled maturity date.
Issue Price:	100 per cent.
Form of Notes and denomination:	The Notes are in bearer form in the denominations of EUR 200,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 399,000.
Status and subordination of the Notes:	The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L. 228-97 of the French <i>Code de commerce</i> . The obligations of the Issuer in respect of the Notes and Coupons constitute

direct, unsecured and Deeply Subordinated Obligations of the Issuer and rank pari passu and without any preference among themselves and rateably with all other present or future Deeply Subordinated Obligations of the Issuer, but shall be subordinated to the present and future *prêts participatifs* granted to the Issuer and present and future *titres participatifs*, Eligible Subordinated Obligations and Unsubordinated Obligations issued by the Issuer.

**Interest Rate:** The rate of interest for each Interest Period from (and including) the Issue Date to (but excluding) the First Call Date is 6.125 per cent. *per annum*.

The rate of interest for each Reset Interest Period beginning on or after the First Call Date will be equal to (a) the 5-Year Mid-Swap Rate plus (b) the Margin, as determined by the Calculation Agent.

**First Call Date:** The Interest Payment Date falling on or about 17 June 2022.

**Interest Payment Dates:** Interest shall be payable semi-annually in arrear on 17 June and 17 December in each year from (and including) 17 December 2015, subject in any case as provided in Condition 5.9 (*Cancellation of Interest Amounts*) and Condition 8 (*Payments*).

**Cancellation of Interest Amounts:** The Issuer may elect at its full discretion to cancel (in whole or in part), and in certain circumstances will be required to cancel (in whole or in part) the Interest Amount otherwise scheduled to be paid on an Interest Payment Date. See Condition 5.9 (*Cancellation of Interest Amounts*).

**Write-Down and reinstatement:** The Prevailing Outstanding Amount of the Notes will be written down if the Group's CET 1 Ratio falls below 5.125 per cent. (all as defined in Condition 2 (*Interpretation*) in "Terms and Conditions of the Notes"). Noteholders may lose some or all of their investment as a result of a Write Down. Following such reduction, some or all of the principal amount of the Notes may, at the Issuer's discretion, be reinstated, up to the Original Principal Amount, if certain conditions are met. See Condition 6 (*Write-Down and Reinstatement*) in "Terms and Conditions of the Notes".

**Optional Redemption Dates:** The First Call Date and any Interest Payment Date thereafter.

**Optional Redemption on the Optional Redemption Date:** The Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*)) redeem the then outstanding Notes, on the relevant Optional Redemption Date in whole at their Original Principal Amount, together with accrued interest.

**Optional Redemption by the Issuer upon the occurrence of a Capital Event or Tax Event:** Subject as provided herein, in particular to the provisions of Condition 7.8 (*Conditions to Redemption and Purchase*), upon the occurrence of a Capital Event or a Tax Event, the Issuer may, at its option at any time, redeem the then outstanding Notes in whole, but not in part, at their Prevailing Outstanding Amount together with accrued interest thereon.

**"Capital Event"** means the determination by the Issuer, that as a result of a change in the Relevant Rules becoming effective on or after the Issue Date, which change was not reasonably foreseeable by the Issuer as at the Issue Date, it is likely that all or part of the aggregate outstanding nominal amount of the Notes will be, excluded from the own funds of the Group or reclassified as a lower quality form of own funds of the Group.

**"Tax Event"** means a Tax Deduction Event, a Withholding Tax Event or a Gross-Up Event.

Substitution/ Variation:	<p>Following the occurrence of a Special Event, the Issuer may, as an alternative to an early redemption of the Notes, at any time, without the consent of the Noteholders and subject to receiving any consent required from, the Relevant Regulator, either (x) substitute new notes for the Notes whereby such new notes shall replace the Notes or (y) vary the terms of the Notes, so that the Notes may become or remain Compliant Securities (as defined in Condition 2 (<i>Interpretation</i>) in “Terms and Conditions of the Notes”).</p> <p><b>"Special Event"</b> means any of a Tax Event or a Capital Event.</p>
Purchase:	<p>The Issuer or any of its subsidiaries may, but is not obliged to, subject to Condition 7.8 (<i>Conditions to Redemption and Purchase</i>) below, purchase Notes (together with all unmatured Coupons appertaining thereto) at any price in the open market or otherwise and at any price in accordance with applicable laws and regulations.</p>
Conditions to Redemption Purchase:	<p>According to Articles 77 and 78 of the CRR, the Notes may only be redeemed or purchased pursuant to Condition 7.2 (<i>Optional Redemption from the First Call Date</i>) Condition 7.3 (<i>Optional Redemption upon the occurrence of a Capital Event</i>), Condition 7.4 (<i>Optional Redemption upon the occurrence of a Tax Event</i>) or Condition 7.6 (<i>Purchase</i>), as the case may be, if the Relevant Regulator has given its prior written approval to such redemption or purchase (as applicable) and the following conditions are met:</p> <ul style="list-style-type: none"> <li>(i) on or before such redemption or purchase (as applicable) of the Notes, the Issuer replaces the Notes with capital instruments of an equal or higher quality on terms that are sustainable for its income capacity; or</li> <li>(ii) the Issuer has demonstrated to the satisfaction of the Relevant Regulator that its Tier 1 Capital and Tier 2 Capital would, following such redemption or purchase (as applicable), exceed the capital ratios required under the CRD IV Rules by a margin that the Relevant Regulator may consider necessary on the basis set out in the CRD IV Rules for it to determine the appropriate level of capital of an institution; and</li> </ul> <p>in the case of redemption before the First Call Date, if:</p> <ul style="list-style-type: none"> <li>(iii) the conditions listed in paragraphs (i) or (ii) above are met; and</li> <li>(iv) in the case of redemption due to the occurrence of a Capital Event, (x) the Relevant Regulator considers such change to be sufficiently certain and (y) the Issuer demonstrates to the satisfaction of the Relevant Regulator that the Capital Event was not reasonably foreseeable at the time of the issuance of the Notes; or</li> <li>(v) in the case of redemption due to the occurrence of a Tax Event, the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the Notes and the Issuer has delivered a certificate signed by one of its senior officers to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) calendar days prior to the date set for redemption that such Tax Event has occurred or will occur no more than ninety (90) calendar days following the date fixed for redemption, as the case may be.</li> </ul>

Events of Default:	None.
Cross Default:	None.
Negative Pledge:	None.
Meetings of Noteholders:	Meeting of Noteholders may be convened by the Issuer or Noteholders holding not less than five (5) per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than fifty (50) per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or Coupons, the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any such adjourned meeting not less than one-third, in nominal amount of the Notes for the time being Outstanding. Any such proposed modification of any provision of the Notes can only be effected subject to the prior approval of the Relevant Regulator. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders. Extraordinary Resolutions may also be passed in writing if signed by Noteholders of not less than ninety (90) per cent in nominal amount of the Notes.
Taxation:	All payments of principal and interest and other revenues by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In the event a payment of interest by the Issuer in respect of the Notes is subject to French Taxes by way of withholding or deduction, the Issuer shall, save in certain limited circumstances provided in Condition 9 ( <i>Taxation</i> ), pay such additional amounts as will result in receipt by the Noteholders or the Couponholders, as the case may be, of such amounts of interest as would have been received by them had no such withholding or deduction been required.
Further Issues:	Subject to the prior information of the Relevant Regulator, the Issuer may from time to time without the consent of the Noteholders or Couponholders to issue further notes, such further notes forming a single series with the Notes so that such further notes and the Notes carry rights identical in all respects (or in all respects save for their issue date, interest commencement date, issue price and/or the amount and date of the first payment of interest thereon).
Admission to trading:	Application has been made for the Notes to be admitted to trading on Euronext Paris.
Governing law:	The Notes will be governed by, and construed in accordance with, English law, except for Condition 4 ( <i>Status of the Notes</i> ) which will be governed by, and construed in accordance with, French law.

Ratings of the Notes: The Notes are expected to be rated BB+ by S&P, Ba1 by Moody's and BBB- by Fitch.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time.

Use of Proceeds: The net proceeds of the Notes will be applied for the general financing purposes of the Issuer.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Prospectus and that have been filed with the AMF for the purpose of the Prospectus Directive and the relevant implementing measures in France, and shall be incorporated in, and form part of, this Prospectus:

- (a) the €90,000,000,000 Euro Medium Term Note Programme Base Prospectus of the Issuer dated 9 June 2015 (the "**Base Prospectus**");
- (b) BNP Paribas' *Document de référence et rapport financier annuel* in English for 2013 (the "**2013 Registration Document**") including the consolidated financial statements for the year ended 31 December 2013 and the statutory auditor's report thereon, other than the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein; and
- (c) BNP Paribas' *Document de référence et rapport financier annuel* in English for 2014 (the "**2014 Registration Document**") including the consolidated financial statements for the year ended 31 December 2014 and the statutory auditor's report thereon, other than the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein; and
- (d) BNP Paribas' *Actualisation du Document de référence déposée auprès de l'AMF le 30 avril 2015* in English (the "**First Update to the 2014 Registration Document**"), other than the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that such statement is inconsistent with a statement contained in this Prospectus.

The English versions of the First Update to the 2014 Registration Document, the 2014 Registration Document and the 2013 Registration Document are available on the websites of the Issuer ([www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)) and of the AMF ([www.amf-france.org](http://www.amf-france.org)).

The information incorporated by reference above is available as follows:

<b>BNPP 2014 REGISTRATION DOCUMENT</b>	
<i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 245 to 364 of the BNPP 2014 Registration Document
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer:	Page 5 of the BNPP 2014 Registration Document
4.1.1. The legal and commercial name of the Issuer;	Page 487 of the BNPP 2014 Registration Document
4.1.2. The place of registration of the Issuer and its registration number;	Page 487 of the BNPP 2014 Registration Document
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 487 of the BNPP 2014 Registration Document
4.1.4. - the domicile and legal form of the Issuer, - the legislation under which the Issuer operates,	Pages 487 and 506 (back cover) of the BNPP 2014 Registration Document

<ul style="list-style-type: none"> <li>- its country of incorporation, and</li> <li>- the address and telephone number of its registered office (or principal place of business if different from its registered office).</li> </ul>	
4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Page 129 of the BNPP 2014 Registration Document
<b>5. Business Overview</b>	
5.1.1. A brief description of <ul style="list-style-type: none"> <li>- the Issuer's principal activities stating,</li> <li>- the main categories of products sold and/or services performed.</li> </ul>	Pages 6 to 15, 168 to 171 and 480 to 486 of the BNPP 2014 Registration Document
5.1.2. An indication of any significant new products and/or activities.	Pages 6 to 15, 168 to 171 and 480 to 486 of the BNPP 2014 Registration Document
5.1.3. A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 168 to 171 and 480 to 486 of the BNPP 2014 Registration Document
5.1.4. The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 of the BNPP 2014 Registration Document
<b>6. Organisational Structure</b>	
6.1. If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4 of the BNPP 2014 Registration Document
6.2. If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Pages 231 to 239 and 417 to 419 of the BNPP 2014 Registration Document
<b>8. Profit Forecasts or Estimates</b>	
8.1. A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.  There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.	Pages 130 to 132 of the BNPP 2014 Registration Document
8.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.  Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to	NA

<p>be published in the next annual audited financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:</p> <p>(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;</p>	
<p>(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;</p> <p>(c) this financial information has not been audited.</p>	
<p>8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.</p>	NA
<p><b>9. Administrative, Management, and Supervisory Bodies</b></p>	
<p>9.1. Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</p>	Pages 30 to 45 and 104 of the BNPP 2014 Registration Document
<p>9.2. Administrative, Management, and Supervisory bodies conflicts of interests.</p> <p>Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.</p> <p>In the event that there are no such conflicts, make a statement to that effect.</p>	Pages 45 to 73 and 77 of the BNPP 2014 Registration Document
<p><b>10. Major Shareholders</b></p>	
<p>10.1. To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.</p>	Pages 16 to 17 of the BNPP 2014 Registration Document
<p>10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.</p>	Page 17 of the BNPP 2014 Registration Document
<p><b>2014 financial statements</b></p>	
<p>Profit and loss account for the year ended 31 December 2014</p>	Page 138 of the BNPP 2014 Registration Document
<p>Statement of net income and changes in assets and</p>	Page 139 of the BNPP 2014 Registration

liabilities recognised directly in equity	Document
Balance sheet at 31 December 2014	Page 140 of the BNPP 2014 Registration Document
Cash flow statement for the year ended 31 December 2014	Page 141 of the BNPP 2014 Registration Document
Statement of changes in shareholders' equity between 1 January 2013 and 31 December 2014	Pages 142 to 143 of the BNPP 2014 Registration Document
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 144 to 240 of the BNPP 2014 Registration Document
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2014	Pages 241 to 242 of the BNPP 2014 Registration Document
Chapter 5 ("Risks and Capital Adequacy")	Pages 243 to 382 of the BNPP 2014 Registration Document

<i>2013 Registration Document</i>	
Profit and loss account for the year ended 31 December 2013	Page 124 of the 2013 Registration Document
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 125 of the 2013 Registration Document
Balance sheet at 31 December 2013	Page 126 of the 2013 Registration Document
Cash flow statement for the year ended 31 December 2013	Page 127 of the 2013 Registration Document
Statement of changes in shareholders' equity between 1 January 2012 and 31 December 2013	Pages 128 to 129 of the 2013 Registration Document
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 130 to 221 of the 2013 Registration Document
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2013	Pages 222 to 223 of the 2013 Registration Document
Chapter 5 ("Risks and Capital Adequacy")	Pages 225 to 347 of the 2013 Registration Document
<b>Base Prospectus</b>	
Pages 699-711 of the Base Prospectus (i.e. section "Subscription and Sale")	

<b>First Update to the 2014 Registration Document</b>	
Quarterly Financial Information	4 - 65 of the First Update to the 2014 Registration Document
Additional Information	68- 81 of the First Update to the 2014 Registration Document
Statutory Auditors	82 of the First Update to the 2014 Registration Document

Information contained in the documents incorporated by reference other than information listed in the tables above is for information purposes only.

The Issuer will provide, free of charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its principal office set out at the end of this Prospectus. In addition, copies of any documents incorporated by reference will be made available free of charge from the specified office of the Principal Paying Agent, and will be available for viewing on the website of the French Directorate of Legal and Administrative Information ([www.info-financiere.fr](http://www.info-financiere.fr)) and on the Issuer's website ([www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)). This Prospectus will be available for viewing on the websites of the Issuer ([www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)) and the AMF ([www.amf-france.org](http://www.amf-france.org)).

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

## TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions (the "**Conditions**") of the Notes which will be attached to or incorporated by reference into each Global Note (as defined in the Agency Agreement) and which will be endorsed on each definitive Note. The Conditions shall replace in their entirety (for the purposes of the Notes) the Conditions of the English Law Notes scheduled to the Agency Agreement (as defined in Condition 1.2).

In the event of any inconsistency between the Agency Agreement and the Conditions, the Conditions will prevail.

### 1. Introduction

- 1.1 **Notes:** The €750,000,000 Perpetual Fixed Rate Resettable Additional Tier 1 Notes (the "**Notes**", which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 15 (*Further Issues*) and forming a single series with the Notes) are issued by BNP Paribas (the "**Issuer**").
- 1.2 **Agency Agreement:** The Notes are issued pursuant to and with the benefit of the amended and restated agency agreement dated 9 June 2015 (as supplemented, amended and/or replaced from time to time, the "**Agency Agreement**") between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and the paying agents named therein (the "**Paying Agents**", which expression shall include the Principal Paying Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement).
- 1.3 **Calculation Agent:** The Issuer has appointed BNP Paribas Securities Services to act as calculation agent (the "**Calculation Agent**") in relation to amounts payable under the Notes.
- 1.4 **Deed of Covenant:** The Noteholders and the Couponholders are entitled to the benefit of the amended and restated deed of covenant (the "**Deed of Covenant**") dated 9 June 2015 and made by the Issuer.

### 2. Interpretation

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

**"5-Year Mid-Swap Rate"** means, in relation to a Reset Interest Period and the Reset Rate of Interest Determination Date in relation to such Reset Interest Period:

- (a) the annual mid-swap rate for euro swap transactions having a maturity of five (5) years commencing on the relevant Reset Date, expressed as a percentage, which appears on the Screen Page as of 11.00 a.m. (Central European Time) on such Reset Rate of Interest Determination Date; or
- (b) if such rate does not appear on the Screen Page at such time on such Reset Rate of Interest Determination Date, the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date;

**"5-Year Mid-Swap Rate Quotations"** means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

- (a) has a term of five (5) years commencing on the relevant Reset Date; and
- (b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market,

where the floating leg (calculated on an Actual/360 day count basis) is equivalent to the rate for the six (6) month Euribor;

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

**"Agency Agreement"** shall have the meaning attributed thereto in Condition 1.2 (*Agency Agreement*);

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

**"Calculation Agent"** shall have the meaning attributed thereto in Condition 1.3 (*Calculation Agent*);

**"Calculation Amount"** means the lower of €1,000 and the Prevailing Outstanding Amount;

**"Capital Event"** means the determination by the Issuer, that as a result of a change in the Relevant Rules becoming effective on or after the Issue Date, which change was not reasonably foreseeable by the Issuer as at the Issue Date, it is likely that all or part of the aggregate outstanding nominal amount of the Notes will be, excluded from the own funds of the Group or reclassified as a lower quality form of own funds of the Group;

**"CET1 Ratio"** means the Common Equity Tier 1 ratio pursuant to Article 92(1) (a) of the CRR;

**"Clearstream, Luxembourg"** means Clearstream Banking, société anonyme;

**"Code"** shall have the meaning attributed thereto in Condition 8 (*Payments*);

**"Compliant Securities"** means securities issued directly or indirectly by the Issuer that satisfy all the conditions below:

- (i) contain terms which at such time comply with the then current requirements of the Relevant Regulator in relation to Additional Tier 1 Capital (which, for the avoidance of doubt, may result in such securities not including, or restricting for a period of time, the application of, one or more of the Special Events which are included in the Notes);
- (ii) carry the same rate of interest, including for the avoidance of doubt any rate of interest reset provisions, from time to time applying to the Notes prior to the relevant substitution or variation pursuant to Condition 7.5 (*Substitution /Variation*);
- (iii) have the same Original Principal Amount and Prevailing Outstanding Amount as the Notes prior to substitution or variation pursuant to Condition 7.5 (*Substitution/Variation*);
- (iv) rank *pari passu* with the Notes prior to the substitution or variation pursuant to Condition 7.5 (*Substitution /Variation*);
- (v) shall not at such time be subject to a Special Event;
- (vi) have terms not otherwise materially less favorable to the Noteholders than the terms of the Notes, as reasonably determined by the Issuer, and provided that the Issuer shall have delivered an officer's certificate to that effect to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) business days in Paris prior to (x) in the case of a substitution of the Notes pursuant to Condition 7.5 (*Substitution/Variation*), the issue date of the relevant notes or (y) in the case of a variation of the Notes pursuant to Condition 7.5 (*Substitution /Variation*), the date such variation becomes effective; and
- (vii) if (i) the Notes were listed and/or admitted to trading on a Regulated Market immediately prior to the relevant substitution or variation, are listed and/or admitted to trading on a Regulated Market or (ii) if the Notes were listed and/or admitted to trading on a recognized stock exchange other than a Regulated Market immediately prior to the relevant substitution or variation, are listed and/or admitted to trading on any recognized stock exchange (including, without limitation, a Regulated Market), in either case as selected by the Issuer;

**"Coupons"** means, in relation to a Note, the interest coupons relating to that Note;

**"Couponholders"** means the holders of the Coupons;

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

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

**"CRD IV Rules"** means any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures;

**"CRR"** means the Regulation 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, as published in the Official Journal of the European Union on 27 June 2013, as amended from time to time or such other regulation as may come into effect in place thereof;

**"Day Count Fraction"** means the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last);

**"Deed of Covenant"** shall have the meaning attributed thereto in Condition 1.4 (*Deed of Covenant*);

**"Deeply Subordinated Obligations"** means deeply subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank *pari passu* among themselves and with the Notes, senior to any classes of share capital issued by the Issuer, and junior to the present and future *prêts participatifs* granted to the Issuer, the present and future *titres participatifs* issued by the Issuer, Eligible Subordinated Obligations and Unsubordinated Obligations;

**"Discretionary Temporary Loss Absorption Instruments"** means at any time any instrument (other than the Notes and the Issuer Shares) issued directly or indirectly by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer, (b) has had all or some of its principal amount written-down, (c) has terms providing for a Reinstatement of its principal amount at the Issuer's discretion and (d) is not subject to any transitional arrangements under the Relevant Rules;

**"Dispute"** shall have the meaning attributed thereto in Condition 17.2 (*Submission to jurisdiction*);

**"Distributable Items"** shall have the meaning given to such term in the CRR, as interpreted and applied in accordance with the Relevant Rules;

**"Eligible Subordinated Obligations"** means subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank or are expressed to rank senior to the Notes, including, but not limited to, obligations or instruments of the Issuer that constitute Tier 2 Capital securities;

**"Euroclear"** means Euroclear Bank SA/NV;

**"Extraordinary Resolution"** has the meaning given to such term in the Agency Agreement;

**"First Call Date"** means the Interest Payment Date falling on or about 17 June 2022;

**"French Taxes"** shall have the meaning attributed thereto in Condition 9 (*Taxation*);

**"Gross-Up Event"** shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

"**Group**" means the Issuer together with its consolidated subsidiaries taken as a whole;

"**Group Net Income**" means the consolidated net income after the Issuer has taken a formal decision confirming the final amount thereof;

"**Initial Period**" means the period from (and including) the Issue Date to (but excluding) the First Call Date;

"**Initial Rate of Interest**" means 6.125 per cent *per annum*;

"**Interest Amount**" means the amount of interest payable on each Note for any Interest Period and "**Interest Amounts**" means, at any time, the aggregate of all Interest Amounts payable at such time;

"**Interest Payment Date**" means 17 June and 17 December in each year from (and including) 17 December 2015;

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

"**Issue Date**" means 17 June 2015;

"**Issuer**" shall have the meaning attributed thereto in Condition 1.1 (*Notes*);

"**Issuer Shares**" means any classes of share capital or other equity securities issued by the Issuer (including but not limited to *actions de préférence* (preference shares));

"**Loss Absorbing Instrument**" means, at any time, any Additional Tier 1 Capital instrument (other than the Notes) issued directly or indirectly by the Issuer which contains provisions pursuant to which all or part of its principal amount may be written-down (whether on a permanent or temporary basis) or may otherwise absorb losses (in each case in accordance with its terms) on the occurrence, or as a result, of a trigger event set by reference to the Group's CET1 Ratio;

"**Margin**" means 5.23 per cent.;

"**Maximum Distributable Amount**" means any maximum distributable amount required to be calculated in accordance with Article 141 of the CRD IV Directive (or, if different, any provision of French law transposing or implementing Article 141 of the CRD IV Directive, as amended or replaced) that may be applicable to the Issuer from time to time;

"**Maximum Reinstatement Amount**" means, with respect to a Reinstatement of the principal amount of the Notes pursuant to Condition 6.3 (*Reinstatement*), the Relevant Group Net Income multiplied by the sum of (A) the Original Principal Amount of the Notes and (B) the initial principal amount of all outstanding Written Down Additional Tier 1 Instruments, divided by the Tier 1 Capital of the Group as at the date of the relevant Reinstatement;

"**Notes**" shall have the meaning attributed thereto in Condition 1.1 (*Notes*);

"**Noteholders**" means holders of the Notes;

"**Optional Redemption Date**" means each of the First Call Date and any Interest Payment Date thereafter;

"**Original Principal Amount**" means the notional amount of the Notes as of the Issue Date;

"**Paying Agents**" and "**Principal Paying Agent**" shall have the meaning attributed thereto in Condition 1.2 (*Agency Agreement*);

"**Payment Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and a day which is a Target Business Day;

"**Prevailing Outstanding Amount**" means for each Note, its notional amount outstanding at any given time, adjusted for any reduction pursuant to a Write-Down or any increase pursuant to a Reinstatement;

**"Rate of Interest"** means:

- (i) in the case of each Interest Period falling in the Initial Period, the Initial Rate of Interest; or
- (ii) in the case of each Interest Period falling in a Reset Interest Period, the relevant Reset Rate of Interest,

all as determined by the Calculation Agent in accordance with Condition 5 (*Interest*);

**"Reference Date"** means the accounting date at which the applicable Relevant Group Net Income was determined;

**"Regulated Market"** means a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC), as amended or replaced from time to time;

**"Reinstatement"** shall have the meaning attributed thereto in Condition 6.3 (*Reinstatement*);

**"Relevant Date"** means, in respect of any Note or Coupon, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made;

**"Relevant Group Net Income"** shall have the meaning attributed thereto in Condition 6.3 (*Reinstatement*);

**"Relevant Regulator"** means the European Central Bank and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer;

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

**"Reset Date"** means the First Call Date and every date which falls five (5), or a multiple of five (5), years after the First Call Date;

**"Reset Interest Period"** means each period from (and including) any Reset Date and ending on (but excluding) the next Reset Date;

**"Reset Rate of Interest Determination Date"** means, in relation to a Reset Interest Period, the day falling two (2) Target Business Days prior to the Reset Date on which such Reset Interest Period commences;

**"Reset Rate of Interest"** means the sum of (a) the 5-Year Mid-Swap Rate plus (b) the Margin;

**"Reset Reference Bank Rate"** means the rate determined on the basis of the 5-Year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Calculation Agent at approximately 11:00 a.m. (Central European Time) on the Reset Rate of Interest Determination Date. If at least three (3) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two (2) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one (1) quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be equal to the last 5-Year Mid-Swap Rate available on the Screen Page as determined by the Calculation Agent;

**"Reset Reference Banks"** means five (5) leading swap dealers in the interbank market selected by the Calculation Agent;

**"Screen Page"** means the display page on the relevant Reuters information service designated as the "ISDAFIX2" page or such other page as may replace it on that information service, or on such other equivalent information service as may be nominated by the person

providing or sponsoring such information, for the purpose of displaying equivalent or comparable rates to the 5-Year Mid-Swap Rate;

"**Special Event**" means any of a Tax Event or a Capital Event;

"**Target Business Day**" means a day on which the Target2 System is open;

"**Target2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto;

"**Tax Deduction Event**" shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

"**Tax Event**" means a Tax Deduction Event, a Withholding Tax Event or a Gross-Up Event;

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

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

"**Trigger Event**" shall occur if, at any time, the CET1 Ratio of the Group is less than the Trigger Level;

"**Trigger Level**" means 5.125 per cent.;

"**Unsubordinated Obligations**" means unsubordinated obligations, whether in the form of loans, notes or other instruments, of the Issuer that rank senior to Eligible Subordinated Obligations or any other obligation expressed to rank junior to Unsubordinated Obligations;

"**Withholding Tax Event**" shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

"**Write-Down**" or "**Written Down**" shall have the meaning attributed thereto in Condition 6.1 (*Write-Down*);

"**Write-Down Amount**" is the amount of the write down of the Prevailing Outstanding Amount of the Notes on the Write-Down Date and will be equal to the lower of:

- (i) the amount necessary to generate sufficient Common Equity Tier 1 items (as defined in the CRR) of the Issuer under the accounting framework applicable to the Issuer to restore the CET1 Ratio of the Group to the Trigger Level in respect of which a Trigger Event has occurred, taking into account the *pro rata* write down or, as the case may be, conversion into equity, of the prevailing principal amount of all Loss Absorbing Instruments (if any) to be written down or converted concurrently (or substantially concurrently) with the Notes, provided that, with respect to each Loss Absorbing Instrument (if any) such *pro rata* write down or conversion shall only be taken into account to the extent required to restore the CET1 Ratio of the Group to the lower of (a) such Loss Absorbing Instrument's trigger level and (b) the Trigger Level in respect of which a Trigger Event has occurred, and
- (ii) the amount that would reduce the Prevailing Outstanding Amount to EUR 0.01, provided further that to the extent the reduction to, or, as the case may be, conversion of any Loss Absorbing Instrument is not, or by the relevant Write-Down Date will not be, effective for any reason:
  - (1) the ineffectiveness of any such reduction or, as the case may be, conversion shall not prejudice the requirement to effect a reduction to the Prevailing Outstanding Amount pursuant to Condition 6 (*Write-Down and Reinstatement*); and
  - (2) the reduction to, or, as the case may be conversion of any Loss Absorbing Instrument which is not, or by the Write-Down Date will not be, effective shall not be taken into account in determining such reduction of the Prevailing Outstanding Amount;

"**Write-Down Date**" means the date on which the Notes will be written down, being no later than one (1) month after the occurrence of a Trigger Event pursuant to Condition 6.1, or any

earlier date as selected by the Issuer or as instructed by the Relevant Regulator, and as specified in the Write-Down Notice;

**"Write-Down Notice"** means a notice which specifies (i) that a Trigger Event has occurred, (ii) the Write-Down Amount and (iii) the Write-Down Date. Any such notice shall be accompanied by a certificate signed by two Directors of the Issuer stating that the Trigger Event has occurred and setting out the method of calculation of the relevant Write-Down Amount attributable to the Notes; and

**"Written Down Additional Tier 1 Instrument"** means at any time any instrument (excluding the Notes) issued directly or indirectly by the Issuer which qualifies as Additional Tier 1 Capital of the Group and/or the Issuer and which, immediately prior to the relevant Reinstatement at that time, has a current principal amount that is lower than the principal amount it was issued with.

2.2 *Interpretation:* In these Conditions:

- (i) Notes and Noteholders shall respectively be deemed to include references to Coupons and Couponholders, if relevant;
- (ii) any reference to principal shall be deemed to include the Prevailing Outstanding Amount, any additional amounts in respect of principal which may be payable under Condition 9 (*Taxation*) and any other amount in the nature of principal payable pursuant to these Conditions;
- (iii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 9 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (iv) references to Notes being "outstanding" shall be construed in accordance with the definition thereof set out in the Agency Agreement; and
- (v) any reference to a numbered "Condition" shall be to the relevant Condition in these Conditions.

**3. Form, Denomination and Title**

3.1 *Form of Notes and denomination:* The Notes are in bearer form, serially numbered, in the denominations of €200,000 and integral multiples of €1,000 in excess thereof up to and including €399,000 each with Coupons attached on issue. Notes of one denomination will not be exchangeable for Notes of another denomination.

3.2 *Title:* The Notes and Coupons will pass by delivery. The Couponholder, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Note. The Issuer and any Paying Agent, to the extent permitted by applicable law, may deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not such Note or Coupon shall be overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.

**4. Status of the Notes**

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*.

The Notes constitute *obligations* under French law. The obligations of the Issuer in respect of the Notes and Coupons constitute direct, unsecured and Deeply Subordinated Obligations of the Issuer and rank *pari passu* and without any preference among themselves and rateably with all other present or future Deeply Subordinated Obligations of the Issuer, but shall be subordinated to the present and future *prêts participatifs* granted to the Issuer and present and future *titres participatifs*, Eligible Subordinated Obligations and Unsubordinated Obligations issued by the Issuer.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the payment obligation of the Issuer under the Notes shall be subordinated to the payment in full of the unsubordinated creditors of the Issuer and any other creditors whose claim ranks

senior to the Notes and, subject to such payment in full, the Noteholders will be paid in priority to any Issuer Shares. After the complete payment of creditors whose claim ranks senior to the Notes on the judicial or other liquidation of the Issuer, the amount payable by the Issuer in respect of the Notes shall be limited to the Prevailing Outstanding Amount and any other amounts payable in respect of the Notes (including any accrued and uncanceled interest). In the event of incomplete payment of unsubordinated creditors or other creditors whose claim ranks in priority to the Notes on the liquidation of the Issuer, the obligations of the Issuer in connection with the Notes shall terminate by operation of law.

There is no negative pledge in respect of the Notes.

It is the intention of the Issuer that the proceeds of the issue of the Notes be treated for regulatory purposes as Additional Tier 1 Capital.

## **5. Interest**

- 5.1 *Interest rate:* The Notes shall bear interest on their Prevailing Outstanding Amount at the applicable Rate of Interest from (and including) the Issue Date. Interest shall be payable semi-annually in arrear on each Interest Payment Date commencing on 17 December 2015, subject in any case as provided in Condition 5.9 (*Cancellation of Interest Amounts*) and Condition 8 (*Payments*).
- 5.2 *Interest to (but excluding) the First Call Date:* The rate of interest for each Interest Period falling in the Initial Period will be the Initial Rate of Interest. The amount of interest per Calculation Amount payable on each Interest Payment Date in relation to an Interest Period falling in the Initial Period will be €61.25.
- 5.3 *Interest from (and including) the First Call Date:* The rate of interest for each Interest Period falling in the Reset Interest Period will be equal to the Reset Rate of Interest, as determined by the Calculation Agent.
- 5.4 *Accrual of interest:* Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of the Prevailing Outstanding Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of:
- (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
  - (ii) the day which is seven (7) calendar days after the Principal Paying Agent has notified the Noteholders in accordance with Condition 16 (*Notices*) that it has received all sums due in respect of the Notes up to such seventh (7th) calendar day (except to the extent that there is any subsequent default in payment).
- 5.5 *Determination of Reset Rate of Interest:* The Calculation Agent will, as soon as practicable after 11:00 a.m. (Central European Time) on each Reset Rate of Interest Determination Date, calculate the Reset Rate of Interest for such Reset Interest Period.
- 5.6 *Publication of Reset Rate of Interest:* The Calculation Agent will cause the Reset Rate of Interest determined by it to be notified to the Principal Paying Agent (if not the Calculation Agent) as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 16 (*Notices*).
- 5.7 *Calculation of amount of interest per Calculation Amount:* The amount of interest payable in respect of the Calculation Amount for any period shall be calculated by:
- (i) applying the applicable Rate of Interest to the Calculation Amount;
  - (ii) multiplying the product thereof by the Day Count Fraction; and
  - (iii) rounding the resulting figure to the nearest cent (half a cent being rounded upwards).
- 5.8 *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*) by the Calculation Agent will (in the absence of manifest error) be

binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders 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.

#### 5.9 *Cancellation of Interest Amounts:*

(i) Optional cancellation

The Issuer may elect at its full discretion to cancel (in whole or in part) the Interest Amount otherwise scheduled to be paid on an Interest Payment Date notwithstanding it has Distributable Items or the Maximum Distributable Amount is greater than zero.

Interest Amounts on the Notes will be non-cumulative. Accordingly, if any Interest Amounts (or part thereof) is not paid in respect of the Notes as a result of any election of the Issuer to cancel such Interest Amount pursuant to this paragraph (i) or of the limitations on payment set out in paragraph (ii) below, then (x) the right of the Noteholders to receive the relevant Interest Amount (or part thereof) in respect of the relevant Interest Period will be extinguished and the Issuer will have no obligation to pay such Interest Amount (or part thereof) accrued for such Interest Period or to pay any interest thereon and (y) it shall not constitute an event of default in respect of the Notes or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever, and it shall not entitle Noteholders to petition for the insolvency or dissolution of the Issuer.

(ii) Mandatory cancellation

The Issuer will cancel the payment of an Interest Amount (in whole or, as the case may be, in part) if the Relevant Regulator notifies in writing the Issuer that, in accordance with the Relevant Rules, it has determined that the Interest Amount (in whole or in part) should be cancelled based on its assessment of the financial and solvency situation of the Issuer.

In any case, the maximum Interest Amounts (including any additional amounts payable pursuant to Condition 9 (*Taxation*)) that may be payable (in whole or, as the case may be, in part) under the Notes will not exceed an amount that:

- when aggregated together with any interest payment or distributions which have been paid or made or which are required to be paid or made on other own funds items in the then current financial year (excluding any such interest payments on Tier 2 Capital instruments and/or which have already been provided for, by way of deduction, in the calculation of Distributable Items), is higher than the amount of Distributable Items (if any) then available to the Issuer; and
- when aggregated together with other distributions of the kind referred to in Article 141(2) of the CRD IV Directive (or, if different, any provision of French law transposing or implementing Article 141(2) of the CRD IV Directive, as amended or replaced), would cause the Maximum Distributable Amount (if any) then applicable to be exceeded

## 6. **Write-Down and Reinstatement**

6.1 *Write-Down:* If a Trigger Event occurs, the Issuer shall immediately notify the Relevant Regulator of the occurrence of the Trigger Event and, after first giving a Write-Down Notice to Noteholders (in accordance with Condition 16 (*Notices*)) and the Principal Paying Agent, irrevocably (without the need for the consent of Noteholders), reduce on the Write-Down Date the then Prevailing Outstanding Amount of each Note by the relevant Write-Down Amount (such reduction being referred to as a "**Write-Down**", and "**Written Down**" being construed accordingly).

6.2 *Consequence of a Write-Down:* A Trigger Event may occur on more than one occasion and the Notes may be Written Down on more than one occasion. For the avoidance of doubt, the principal amount of a Note may never be reduced to below one cent.

Write-Down of all or part of the Prevailing Outstanding Amount shall not constitute a default in respect of the Notes or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever, and shall not entitle Noteholders to petition for the insolvency or dissolution of the Issuer.

Following a Write-Down of all or part of the Prevailing Outstanding Amount, Noteholders will be automatically deemed to waive irrevocably their rights to receive, and no longer have any rights against the Issuer with respect to, interest on and repayment of the Write-Down Amount (but without prejudice to their rights in respect of any reinstated principal amount following a Reinstatement).

- 6.3 *Reinstatement:* Following a reduction of the Prevailing Outstanding Amount in accordance with Condition 6.1 (*Write-Down*), the Issuer may, if a positive Group Net Income (the "**Relevant Group Net Income**") is recorded, at any time while the Prevailing Outstanding Amount is less than the Original Principal Amount, at its discretion, reinstate some or all of the principal amount of the Notes (a "**Reinstatement**"), subject to compliance with the Relevant Rules (including the Maximum Distributable Amount (if any) and, for such purpose, the amount of such Reinstatement shall be aggregated together with other distributions of the Issuer and the Group of the kind referred to in Article 141(2) of the CRD IV Directive or, if different, any transposing or implementing Article 141(2) of the CRD IV Directive as amended or replaced), on a *pro rata* basis with all other Discretionary Temporary Loss Absorption Instruments (if any) which would, following such Reinstatement, constitute Additional Tier 1 Capital.

For the avoidance of doubt, at no time may the Prevailing Outstanding Amount exceed the Original Principal Amount of the Notes.

To the extent that the principal amount of the Notes has been reinstated as described in this Condition, interest shall begin to accrue on the reinstated principal amount of the Notes, and become payable in accordance with these Conditions, as from the date of the relevant Reinstatement.

Unless the Relevant Rules provide otherwise, a Reinstatement of the principal amount of the Notes pursuant to this Condition will not be effected at any time in circumstances where the aggregate amount of the principal of the Notes to be so reinstated combined with the sum of:

- (i) any previous Reinstatement of the Notes out of the Relevant Group Net Income since the Reference Date;
- (ii) the aggregate amount of any interest on the Notes that has been paid since the Reference Date on the basis of a Prevailing Outstanding Amount that is lower than the Original Principal Amount;
- (iii) the aggregate amount of the increase in principal amount of the Written Down Additional Tier 1 Instruments to be written-up out of the Relevant Group Net Income concurrently with the Reinstatement and (if applicable) any previous increase in principal amount of such Written Down Additional Tier 1 Instruments out of the Relevant Group Net Income since the Reference Date; and
- (iv) the aggregate amount of any interest on such Written Down Additional Tier 1 Instruments that has been paid since the Reference Date on the basis of a prevailing principal amount that is lower than the original principal amount at which such Written Down Additional Tier 1 Instruments were issued;

would exceed the Maximum Reinstatement Amount.

## 7. **Redemption and Purchase**

- 7.1 *No fixed redemption:* The Notes are perpetual obligations in respect of which there is no fixed redemption date.

- 7.2 *Optional Redemption from the First Call Date:* The Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below), subject to having given no

less than thirty (30) nor more than forty-five (45) calendar days' prior notice to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes, on the relevant Optional Redemption Date in whole, but not in part, at their Original Principal Amount (provided that if at any time a Write-Down Notice has been given and/or the Notes have been Written Down pursuant to Condition 6.1, the Issuer shall not be entitled to exercise its option under this Condition 7.2 until the principal amount of the Notes so Written Down has been fully reinstated pursuant to Condition 6.3), together with all interest accrued to (but excluding) the relevant Optional Redemption Date (if any).

7.3 *Optional Redemption upon the occurrence of a Capital Event:* Upon the occurrence of a Capital Event, the Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) at any time subject to having given no less than thirty (30) nor more than forty-five (45) calendar days' notice to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes in whole, but not in part, at their Prevailing Outstanding Amount, together with all interest accrued to the date fixed for redemption (if any).

7.4 *Optional Redemption upon the occurrence of a Tax Event:*

- (i) If by reason of a change in, or in the official interpretation or administration of, any laws or regulations of France or any political subdivision or any authority thereof or therein having power to tax becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of interest due in respect of the Notes or Coupons, not be able to make such payment without having to pay additional amounts as specified under Condition 9 (*Taxation*) (a "**Withholding Tax Event**"), the Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below), at any time, subject to having given no less than thirty (30) nor more than forty-five (45) calendar days' notice to the Noteholders (in accordance with Condition 16 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem the then outstanding Notes in whole, but not in part, at their Prevailing Outstanding Amount, together with all interest accrued to the date fixed for redemption (if any), provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of interest without withholding for French Taxes or, if such date has passed, as soon as practicable thereafter.
- (ii) If the Issuer would, on the next payment of interest in respect of the Notes or Coupons, be prevented by French law from making payment to the Noteholders or the Couponholders of the full amount then due and payable (including any additional amounts which would be payable pursuant to Condition 9 (*Taxation*) but for the operation of such French law) (a "**Gross-Up Event**"), then, the Issuer may (subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) upon giving not less than seven (7) nor more than forty-five (45) calendar days' prior notice to the Noteholders (in accordance with Condition 16 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem the then outstanding Notes in whole, but not in part, at their Prevailing Outstanding Amount, together with all interest accrued to the date fixed for redemption (if any), provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of interest payable without withholding for French Taxes or, if such date has passed, as soon as practicable thereafter.
- (iii) If by reason of any change in the French laws or regulations, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations becoming effective on or after the Issue Date, the tax regime applicable to any interest payment under the Notes or Coupons is modified and such modification results in the amount of the interest payable by the Issuer under the Notes or Coupons that is tax-deductible by the Issuer for French corporate income tax (*impôts sur les bénéfices des sociétés*)

purposes being reduced (a “**Tax Deduction Event**”), the Issuer may, subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, at its option, at any time, subject to having given no less than thirty (30) nor more than forty-five (45) calendar days’ notice to the Principal Paying Agent and the Noteholders (in accordance with Condition 16 (*Notices*)) redeem all, but not in part, of the then outstanding Notes at the Prevailing Outstanding Amount together with all interest accrued to the date fixed for redemption (if any) thereon, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes to the same extent as it was on the Issue Date.

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

7.5 *Substitution/Variation:*

Following the occurrence of a Special Event, the Issuer may, as an alternative to an early redemption of the Notes, at any time, without the consent of the Noteholders and subject to (i) receiving any consent required from, the Relevant Regulator, and (ii) having given no less than fifteen (15) nor more than forty-five (45) calendar days’ notice to the Principal Paying Agent and the Noteholders and the Couponholders (in accordance with Condition 16 (*Notices*)) either (x) substitute new notes for the Notes whereby such new notes shall replace the Notes or (y) vary the terms of the Notes, so that the Notes may become or remain Compliant Securities.

If the Issuer has given a notice to the Noteholders of substitution or variation of the Notes, and, after giving such notice but prior to the date of such substitution or variation, as applicable, the Issuer determines that a Trigger Event has occurred, the Issuer shall, in consultation with the Relevant Regulator, determine whether or not the proposed substitution or variation, as applicable, will proceed and, if so, whether any amendments to the terms and/or timing of such substitution or variation, as applicable, will be made.

7.6 *Purchase:* The Issuer may, but is not obliged to, subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, purchase Notes (together with all unmatured Coupons appertaining thereto) at any price in the open market or otherwise.

7.7 *Cancellation:* All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Notes, with all unmatured Coupons presented therewith) and accordingly may not be re-issued or resold.

7.8 *Conditions to Redemption and Purchase:* According to Articles 77 and 78 of the CRR, the Notes may only be redeemed or purchased pursuant to Condition 7.2 (*Optional Redemption from the First Call Date*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*), Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) or Condition 7.6 (*Purchase*), as the case may be, if the Relevant Regulator has given its prior written approval to such redemption or purchase (as applicable) and the following conditions are met:

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

in the case of redemption before the First Call Date, if:

- (iii) the conditions listed in paragraphs (i) or (ii) above are met; and
- (iv) in the case of redemption due to the occurrence of a Capital Event, (x) the Relevant Regulator considers such change to be sufficiently certain and (y) the Issuer demonstrates to the satisfaction of the Relevant Regulator that the Capital Event was not reasonably foreseeable at the time of the issuance of the Notes; or
- (v) in the case of redemption due to the occurrence of a Tax Event, the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the Notes and the Issuer has delivered a certificate signed by one of its senior officers to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) calendar days prior to the date set for redemption that such Tax Event has occurred or will occur no more than ninety (90) calendar days following the date fixed for redemption, as the case may be.

7.9 *Determination of Trigger Event supersedes notice of redemption:* If the Issuer has given a notice of redemption of the Notes pursuant to Condition 7.2 (*Optional Redemption from the First Call Date*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) and, after giving such notice but prior to the relevant redemption date, the Issuer determines that a Trigger Event has occurred, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, the Notes will not be redeemed on the scheduled redemption date and, instead, a Write-Down shall occur in respect of the Notes as described under Condition 6 (*Write-Down and Reinstatement*).

## 8. Payments

8.1 *Principal:* Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of the Note at the specified office of any Paying Agent. Subject as provided in these Conditions, payments will be in euro and will be made by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the Target2 System.

8.2 *Interest:* Payments of interest shall, subject to Condition 8.6 (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the specified office of any Paying Agent in the manner described in Condition 8.1 (*Principal*) above.

8.3 *Payments subject to fiscal laws:* All payments in respect of the Notes or Coupons are subject in all cases to, but without prejudice to the provisions of Condition 9 (*Taxation*), (i) any applicable fiscal or other laws and regulations in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, (or any regulations or agreements thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) (collectively, "**FATCA**"). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

8.4 *Unmatured Coupons void:* On the due date (or redemption in whole of any Note pursuant to Condition 7.2 (*Optional Redemption from the First Call Date*), Condition 7.3 (*Optional Redemption upon the Occurrence of a Capital Event*), Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) or purchase pursuant to Condition 7.6 (*Purchase*)), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

- 8.5 *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the Noteholder shall not be entitled to payment of the amount due until the next succeeding Payment Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.
- 8.6 *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the specified office of any Paying Agent.
- 8.7 *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

## 9. Taxation

- 9.1 *Withholding taxes:* All payments of principal and interest and other revenues by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law ("**French Taxes**").
- 9.2 *Gross up:* In the event a payment of interest by the Issuer in respect of the Notes is subject to French Taxes by way of withholding or deduction, the Issuer shall pay to the fullest extent permitted by law such additional amounts as will result in receipt by the Noteholders or the Couponholders, as the case may be, of such amounts of interest as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in relation to any payment of interest in respect of any Note or Coupon, as the case may be:
- (i) to, or to a third party on behalf of, a Noteholder or Couponholder which is liable to such French Taxes, in respect of such Note or Coupon by reason of it having some connection with the Republic of France other than the mere holding of the Note or Coupon; or
  - (ii) presented for payment more than thirty (30) days after the Relevant Date, except to the extent that the relevant Noteholder or Couponholder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty (30) days; or
  - (iii) where such withholding or deduction is required to be made pursuant to Council Directive 2003/48/EC (as amended) or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 or any subsequent meeting of the Council of the European Union on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (iv) presented for payment by or on behalf of a Noteholder or Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
  - (v) where the applicable French Taxes are levied other than by way of a withholding or deduction; or
  - (vi) where such withholding or deduction is imposed on any payment by reason of FATCA.

For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of payments of principal under the Notes.

- 9.3 *Supply of information:* Each Noteholder shall be responsible for supplying to the Principal Paying Agent or any other Paying Agent, in a timely manner, any information as may be reasonably required by the latter in order for it to comply with the identification and reporting

obligations imposed on it by European Council Directive 2003/48/EC, as amended, or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 or any subsequent meeting of the Council of the European Union on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

## **10. Prescription**

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

## **11. Replacement of Notes and Coupons**

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

## **12. Paying Agents**

- 12.1 *Obligations of Paying Agents:* In acting under the Agency Agreement, the Paying Agents will act solely as agents of the Issuer and do not assume any obligations or relationship of agency or trust to or with the Noteholders or Couponholders, except that (without affecting the obligations of the Issuer to the Noteholders and Couponholders, to repay Notes and pay interest thereon) funds received by the Principal Paying Agent for the payment of the principal of or interest on the Notes shall be held by it in trust for the Noteholders and/or Couponholders until the expiration of the relevant period of prescription described under Condition 10 (*Prescription*). The Issuer will agree to perform and observe the obligations imposed upon it under the Agency Agreement. The Agency Agreement contains provisions for the indemnification of the Paying Agents and for relief from responsibility in certain circumstances, and entitles any of them to enter into business transactions with the Issuer and any of its subsidiaries without being liable to account to the Noteholders or the Couponholders for any resulting profit.
- 12.2 *Termination of Appointments:* The initial Paying Agents and their initial specified offices are listed in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Principal Paying Agent) and to appoint an additional or successor principal paying agent or paying agent; provided, however, that:
- (i) the Issuer shall at all times maintain a Principal Paying Agent;
  - (ii) the Issuer shall at all times maintain a Paying Agent (which may be the Principal Paying Agent) with a specified office in a continental European city;
  - (iii) if and for so long as the Notes are admitted to listing and/or to trading and/or quotation on any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent (which may be the Principal Paying Agent) each with a specified office in the place required by the rules and regulations of such listing authority, stock exchange and/or quotation system; and
  - (iv) the Issuer shall at all times maintain a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to Council Directive 2003/48/EC (as amended) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.
- 12.3 *Change of specified offices:* The Paying Agents reserve the right at any time to change their respective specified offices to some other specified office. The relevant Paying Agent shall give to the Issuer and the Principal Paying Agent written notice of that fact giving the address

of the new specified office and stating the date on which the change is to take effect, which shall not be less than forty-five (45) days after the notice. The Principal Paying Agent shall within fifteen (15) days of receipt of the notice give or cause to be given not more than forty-five (45) days' nor less than thirty (30) days' notice of the change to the Noteholders.

### **13. Enforcement**

The Noteholders may, upon written notice to the Principal Paying Agent given before all defaults have been cured, cause the Notes to become due and payable, together with accrued (but uncanceled) interest thereon, if any, as of the date on which said notice is received by the Principal Paying Agent, in the event that an order is made or an effective resolution is passed for the liquidation (*liquidation judiciaire* or *liquidation amiable*) of the Issuer.

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

14.1 *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five (5) per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than fifty (50) per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or Coupons (including modifying the date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any such adjourned meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. Any proposed modification of any provision of the Notes can only be effected subject to the prior approval of the Relevant Regulator. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders. Extraordinary Resolutions may also be passed in writing if signed by Noteholders of not less than ninety (90) per cent. in nominal amount of the Notes.

14.2 *Modification:* The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or to cure, correct or supplement any defective provision or is made to cure, correct or supplement a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

### **15. Further Issues**

Subject to the prior information of the Relevant Regulator, the Issuer may from time to time without the consent of the Noteholders or Couponholders to issue further notes, such further notes forming a single series with the Notes so that such further notes and the Notes carry rights identical in all respects (or in all respects save for their issue date, interest commencement date, issue price and/or the amount and date of the first payment of interest thereon).

### **16. Notices**

16.1 All notices regarding Notes will be valid if published (i) so long as the Notes are admitted to trading on Euronext Paris, and for so long as Euronext Paris rules so require, in a leading daily newspaper of general circulation in France (which is expected to be *Les Échos*) or (ii) in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the *Autorité des marchés financiers*. The Issuer shall also ensure that notices are duly published in a manner

which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being admitted to trading or by which they have been admitted to trading. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

- 16.2 Unless the Notes are admitted to trading on any stock exchange and the rules applicable to such stock exchange require otherwise, until such time as any definitive Notes are issued, and so long as the Global Note is held in its entirety on behalf of Euroclear and Clearstream, Luxembourg, such publication in such newspaper may be substituted by the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the Noteholders and the Couponholders. All notices given to Noteholders (irrespective of how given) shall also be delivered in writing to Euroclear and Clearstream, Luxembourg.

## **17. Governing Law and Jurisdiction**

- 17.1 *Governing Law:* The Agency Agreement, the Deed of Covenant, the Notes (except for Condition 4 (*Status of the Notes*) which is governed by, and shall be construed in accordance with, French law) and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes (except as aforesaid) and the Coupons are governed by, and shall be construed in accordance with, English law.

- 17.2 *Submission to jurisdiction:* The courts of England shall have jurisdiction to settle all disputes which may, directly or indirectly, arise out of or in connection with the Notes and/or the Coupons (including any disputes relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons) (a "**Dispute**") and the Issuer submits and each Noteholder (by its acquisition of a Note) is deemed to submit to the jurisdiction of the English courts. For the purposes of this Condition, the Issuer waives and each Noteholder (by its acquisition of a Note) is deemed to waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

- 17.3 *Appointment of Process Agent:* The Issuer appoints BNP Paribas, London branch, currently of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department) as its agent for service of process, and undertakes that, in the event of BNP Paribas, London branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any proceedings and shall immediately notify the Noteholders in accordance with Condition 16 (*Notices*). Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

- 17.4 *Other documents:* The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## **18. Contracts (Rights of Third Parties) Act 1999**

The Notes shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM**

Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this "Overview of Provisions relating to the Notes while in Global Form".

### **Temporary Global Note exchangeable for Permanent Global Note**

The Notes will initially be in the form of the Temporary Global Note, without Coupons, which will be deposited on or around the Issue Date with a common depository for Euroclear and Clearstream, Luxembourg. Interests in the Temporary Global Note will be exchangeable, in whole or in part, for interests in the Permanent Global Note, without Coupons, which will also be deposited on or around the Issue Date with a common depository for Euroclear and Clearstream, Luxembourg, on or after the Exchange Date, upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in the Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of the Permanent Global Note, duly authenticated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange of a part of the Temporary Global Note) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) in either case, receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven (7) days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; provided, however, that in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

### **Permanent Global Note exchangeable for Definitive Notes**

Interests in the Permanent Global Note will be exchangeable, in whole but not in part only, for Definitive Notes if either:

- (i) the Issuer has been notified that Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen (14) days (other than by reason of legal holidays) or announces an intention permanently to cease business or in fact does so and no successor clearing system is available; or
- (ii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

Definitive Notes will have attached thereto at the time of their initial delivery Coupons.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within thirty (30) days of the bearer requesting such exchange.

The Permanent Global Note also provides, inter alia, that if the Permanent Global Note (or any part thereof) becomes due and repayable in accordance with the Terms and Conditions or the date for final redemption of the Permanent Global Note has occurred, and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made on the due date for payment by 8.00 p.m. (Luxembourg time) on such due date, then holders of interests in the Permanent Global Note credited in their accounts with Euroclear and/or Clearstream, Luxembourg (as

the case may be) will be entitled to proceed directly against the Issuer upon and subject to the terms of the Deed of Covenant.

### **Terms and Conditions applicable to the Notes**

The Terms and Conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the Terms and Conditions set out under "Terms and Conditions of the Notes" above.

The Terms and Conditions applicable to the Notes represented by one or more Global Notes will differ from those Terms and Conditions which would apply to the Notes were they in definitive form to the extent described in this "Overview of Provisions relating to the Notes while in Global Form".

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the relevant Global Note. The following is a summary of certain of those provisions:

*Payments:* The Holder of a Global Note shall be the only person entitled to receive payments in respect of the Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the Holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of the Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the Holder of such Global Note. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "**Payment Business Day**" set out in Condition 2 (*Interpretation*).

*Notices:* Unless the Notes are admitted to trading on any stock exchange and the rules applicable to such stock exchange require otherwise, until such time as any Definitive Notes are issued, and so long as the Global Note is held in its entirety on behalf of Euroclear and Clearstream, Luxembourg, such publication in such newspaper may be substituted by the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the Noteholders and the Couponholders. All notices given to Noteholders (irrespective of how given) shall also be delivered in writing to Euroclear and Clearstream, Luxembourg.

### **Legend concerning United States persons**

Permanent Global Notes, Definitive Notes and any Coupons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections referred to in such legend provide that a United States person who holds a Note, Coupon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

### **Clearing Systems**

Any reference herein to Euroclear and/or Clearstream, Luxembourg, as the case may be, shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Principal Paying Agent, the other Paying Agents and the Noteholders.

## **DESCRIPTION OF THE ISSUER**

The description of the Issuer and the Group is contained in the 2014 Registration Document which is incorporated by reference in this Prospectus and available on the website of the Issuer and on the website of the AMF (see section "Documents Incorporated by Reference").

## **USE OF PROCEEDS**

The net proceeds of the Notes will be applied for the general financing purposes of the Issuer.

## TAXATION

*The statements herein regarding taxation are based on the laws in force in the European Union, France and the United States as of the date of this Prospectus and are subject to any changes in law.*

*The following summary 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 the Notes should consult its tax adviser as to each of the EU Directive on the taxation of savings income, the French tax consequences and the Foreign Account Tax Compliance Act that may be relevant to acquiring, holding and disposing of the Notes.*

### **EU Directive on the taxation of savings income**

Under Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Council Directive (the "**Amending Directive**") amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017, and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, the European Commission has proposed the repeal of the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

### **French taxation**

*The Notes are novel instruments and contain a number of features that are not present in other securities issued regularly in the market. There is no judicial or administrative interpretation relating to the application of French tax laws and regulations to instruments such as the Notes. The Issuer will treat the Notes as debt instruments for French tax purposes. The discussion in this section is based on this treatment of the Notes.*

#### *Implementation of the Savings Directive in France*

The Savings Directive has been 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.

### Withholding tax

The following may be relevant to Noteholders who do not concurrently hold shares in the Issuer or who are not otherwise affiliated with the Issuer within the meaning of Article 39,12 of the French Code général des impôts.

Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a seventy-five (75) per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues on the Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons established or domiciled in a Non-Cooperative State or paid in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at a rate of thirty (30) per cent. or seventy-five (75) per cent. (subject to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the seventy-five (75) per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the Deductibility Exclusion will apply in respect of the Notes if the Issuer can prove that the principal purpose and effect of such issue of the Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211, BOI-IR-DOMIC-10-20-20-60-20150320 and BOI-ANX-000364-20120912, the issue of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes if the Notes are *inter alia*:

- (a) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (b) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Accordingly, payments made by the Issuer under the Notes are not subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* and the Deductibility Exclusion does not apply to such payments.

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A of the French *Code général des impôts*, interest and other revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a twenty-four (24) per cent. withholding tax (subject to certain limited exceptions), which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of fifteen and a half (15.5) per cent. on such interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

## Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a thirty (30) per cent. withholding tax with respect to certain payments to any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA. The Issuer is classified as an FFI.

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and France have entered into an IGA based largely on the Model 1 IGA (the "**US-France IGA**").

If the Issuer is treated as a Reporting FI pursuant to the US-France IGA it does not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA.

Whilst the Notes are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the common depository, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

**FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the US-France IGA, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**

## SUBSCRIPTION AND SALE

BNP Paribas UK Limited and ABN Amro N.V., Banca IMI S.p.A., Banco Santander, S.A., Barclays Bank plc, Danske Bank A/S, ING Bank N.V., Lloyds Bank plc and The Royal Bank of Scotland plc (the "**Managers**") have, pursuant to a subscription agreement dated 15 June 2015 (the "**Subscription Agreement**") supplementing the provisions of the amended and restated programme agreement dated 9 June 2015 (the "**Programme Agreement**"), jointly and severally agreed to subscribe or procure subscribers for the Notes at the issue price of 100 per cent. of the principal amount of the Notes, less a combined management and underwriting commission.

For the selling restrictions, see the section entitled "Subscription and Sale" set out on pages 699-711 of the Base Prospectus which is incorporated herein by reference as set out in the "Documents Incorporated by Reference" section provided that references in the section "Subscription and Sale" of the Base Prospectus to the "relevant Final Terms" and the "Dealers" shall, for the purposes of the issue of the Notes, be deemed to refer to the Conditions and to the Managers respectively.

The Notes are not intended to be sold and should not be sold to retail clients in the EEA, as defined in the rules set out in the Temporary Marketing Restriction (Contingent Convertible Securities) Instrument 2014 (as amended or replaced from time to time), other than in circumstances that do not and will not give rise to a contravention of those rules by any person. Prospective investors are referred to the section headed "Restrictions on marketing and sales to retail investors" on page 5 of this Prospectus for further information.

The Issuer will also reimburse the Managers in respect of certain of their expenses, and has agreed to indemnify the Managers against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

Save for the commissions payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

## GENERAL INFORMATION

### 1. Corporate Authorisations

The issue of the Notes by the Issuer is authorised pursuant to the Board resolution dated 13 May 2015 and the issue decision of Lars Machenil in his capacity as Chief Financial Officer of the Issuer dated 10 June 2015.

### 2. Admission to trading

This Prospectus has received visa no. 15-274 on 15 June 2015 from the *Autorité des marchés financiers* ("AMF").

Application has been made for the Notes to be admitted to trading on Euronext Paris on 17 June 2015. The Issuer estimates that the amount of expenses related to the admission to trading of the Notes will be approximately EUR 17,400.

### 3. Documents Available

Copies of the following:

- (i) the *Statuts* of the Issuer;
- (ii) BNP Paribas' *document de référence et rapport financier annuel* in English for 2013;
- (iii) BNP Paribas' *document de référence et rapport financier annuel* in English for 2014;
- (iv) First Update to the 2014 Registration Document;
- (v) the amended and restated deed of covenant dated 9 June 2015 (as supplemented, amended and/or replaced from time to time) and the amended and restated agency agreement dated 9 June 2015 (as supplemented, amended and/or replaced from time to time);
- (vi) the Base Prospectus; and
- (vii) this Prospectus

will be available for inspection during the usual business hours on any week day (except Saturdays and public holidays) at the offices of the Principal Paying Agent. In addition, (i), (ii), (iii), (iv) (vi) and (vii) are available on the Issuer's website: "[www.invest.bnpparibas.com](http://www.invest.bnpparibas.com)". In addition, copies of this Prospectus and any documents incorporated by reference in this Prospectus are available on the AMF's website: "[www.amf-france.org](http://www.amf-france.org)".

### 4. Material Adverse Change

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2014.

### 5. Legal and Arbitration Proceedings

Save as disclosed on pages 167, 168, 219 and 220 of the 2014 Registration Document, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the period covering at least the twelve (12) months prior to the date of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

### 6. Significant Change

There has been no significant change in the financial or trading position of the Group since 31 December 2014 (being the end of the last financial period for which audited financial statements have been published).

### 7. Material Contracts

The Issuer has not entered into contracts outside the ordinary course of its business, which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes.

## **8. Dependence of the Issuer upon other members of the Group**

Subject to the following paragraph, the Issuer is not dependent upon other members of the Group.

In April 2004, the Issuer began outsourcing IT Infrastructure Management Services to the “BNP Paribas Partners for Innovation” (“BP<sup>2</sup>I”) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for the Issuer and several BNP Paribas subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 the Issuer renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013.

BP<sup>2</sup>I is under the operational control of IBM France. The Issuer has a strong influence over this entity, which is 50/50 owned with IBM France. The Issuer staff made available to BP<sup>2</sup>I make up half of that entity’s permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides the Issuer with the contractual right to monitor the entity and bring it back into the Group if necessary.

ISFS, a fully-owned IBM subsidiary, handles IT Infrastructure Management for BNP Paribas Luxembourg.

BancWest’s data processing operations are outsourced to Fidelity Information Services. Cofinoga France’s data processing is outsourced to SDDC, a fully-owned IBM subsidiary.

## **9. Conflicts of Interests**

To the knowledge of the Issuer, the duties owed by the members of the Board of Directors of the Issuer do not give rise to any potential conflicts of interest with such members' private interests or other duties.

## **10. Auditors**

The statutory auditors (*Commissaires aux comptes*) of the Issuer are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Damien Leurent.

*Deputy:*

BEAS, 7-9, Villa Houssay, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Etienne Boris.

*Deputy:*

Anik Chaumartin, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Hervé Hélias.

*Deputy:*

Michel Barbet-Massin, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

#### 11. Clearing Systems

The Notes have been accepted for clearance through Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* systems under common code 124750890 and ISIN XS1247508903.

The address of Euroclear Bank S.A./N.V. is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

The address of Clearstream Banking, *société anonyme*, is 42 avenue JF Kennedy, L-1855 Luxembourg.

Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* are the entities in charge of keeping the records.

#### 12. Managers Conflicts

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

#### 13. Yield

The yield is 6.125 per cent. *per annum* up to the First Call Date. This yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

#### 14. Capitalization of BNPP and the BNP Paribas Group

Millions of Euros	<b>BNP PARIBAS GROUP</b> 31 December 2013	<b>BNP PARIBAS GROUP</b> 31 December 2014	<b>BNP PARIBAS GROUP</b> 31 March 2015
Medium - and Long-Term Debt of which unexpired term to maturity is more than one year			
Debt securities at fair value through profit or lost	33,567	38,876	40,192
Other debt securities	75,605	74,322	73,726
Subordinated debt	8,939	10,746	11,831
<b>Total Medium - and Long-Term Debt.....</b>	<b>118,111</b>	<b>123,944</b>	<b>125,750</b>

<b>Shareholders' Equity and Equivalents</b>			
Issued Capital .....	2,490	2,492	2,492
Additional paid-in capital.....	24,322	24,479	24,220
Preferred shares and equivalent instruments.....	6,614	6,589	6,599
Retained earnings .....	50,366	47,895	48,696
Unrealised or deferred gains and losses attributable to shareholders	1,935	6,091	9,342
Undated participating subordinated notes ....	222	222	222
Undated Subordinated FRNs.....	1,737	1,849	1,878
<b>Total Shareholders' Equity and Equivalents</b>	<b>87,686</b>	<b>89,617</b>	<b>93,449</b>
Minority Interest.....	3,490	4,141	4,070
<b>Total Capitalization</b>	<b>209,287</b>	<b>217,702</b>	<b>223,269</b>

## RESPONSIBILITY STATEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case that, to the best of my knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The consolidated financial statements as of and for the year ended 31 December 2013 of BNPP were audited by statutory auditors who issued an audit report which is incorporated by reference in the Prospectus. This report contains an emphasis of matter paragraph (*paragraphe d'observations*) referring, inter alia, to note 3.g to the consolidated financial statements regarding the provision related to US dollar payments involving parties subject to US sanctions.

The consolidated financial statements as of and for the year ended 31 December 2014 of BNPP were audited by statutory auditors who issued an audit report which is incorporated by reference in the Prospectus. This report contains an emphasis of matter paragraph (*paragraphe d'observations*) referring to note 3.g to the consolidated financial statements which outlines the costs related to the comprehensive settlement with US authorities.

### **BNP Paribas**

16 boulevard des Italiens  
75009 Paris  
France

Represented by Philippe Bordenave  
in his capacity as Chief Operating Officer

Dated 15 June 2015



In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the French *Autorité des marchés financiers* ("**AMF**"), in particular Articles 211-1 to 216-1, the AMF has granted to this Prospectus the *visa* no. 15-274 on 15 June 2015. This Prospectus has been prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the *visa* has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it.

**PRINCIPAL OFFICE OF THE ISSUER**

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**GLOBAL COORDINATOR AND STRUCTURING ADVISOR**

**BNP Paribas**

**JOINT LEAD MANAGER AND SOLE BOOKRUNNER**

**BNP Paribas UK Limited**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**JOINT LEAD MANAGERS**

**ABN Amro Bank N.V.**

Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

**Banco Santander, S.A.**

Ciudad Grupo Santander  
Edificio Encinar  
Avenida de Cantabria s/n  
28660 Boadilla del Monte  
Madrid  
Spain

**Danske Bank A/S**

2-12 Holmens Kanal  
1092 Copenhagen K  
Denmark

**Lloyds Bank plc**

10 Gresham Street  
London EC2V7AE  
United Kingdom

**Banca IMI S.p.A.**

Largo Mattioli, 3  
20121 Milan  
Italy

**Barclays Bank plc**

5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**ING Bank, N.V.**

Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

**The Royal Bank of Scotland plc**

135 Bishopsgate  
London EC2M 3UR  
United Kingdom

**PRINCIPAL PAYING AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**

33, rue de Gasperich  
Howald – Hesperange  
2085 Luxembourg  
Luxembourg

**PARIS PAYING AGENT**

**BNP Paribas Securities Services**

(affiliated with Euroclear France under number 29106)

Corporate Trust Services  
Les Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin  
France

**CALCULATION AGENT**

**BNP Paribas Securities Services**

Corporate Trust Services  
Les Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin  
France

**LEGAL ADVISERS TO THE MANAGERS**

*As to French and English law*

**Allen & Overy LLP**

52, avenue Hoche  
CS 90005  
75379 Paris Cedex 08  
France

**AUDITORS OF THE ISSUER**

**Deloitte & Associés**

185, avenue Charles de Gaulle  
92524 Neuilly-sur-Seine Cedex  
France

**PricewaterhouseCoopers Audit**

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

**Mazars**

61, rue Henri-Regnault  
92400 Courbevoie  
France