

SOCIETE GENERALE

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED TO THE AGM

We have called this General Meeting today to submit 24 resolutions for your approval. The purpose of each resolution is set forth hereafter.

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PRESENTED TO THE ORDINARY MEETING

I - Approval of the 2009 financial statements, dividend payment and related party agreements (resolutions 1 to 11)

The **first and second resolutions** relate to the approval of the parent company financial statements for 2009, the allocation of attributable income and the amount of the dividend. The parent company recorded a net income of EUR 922,417,951.49 in 2009. A detailed presentation of the parent company financial statements is set forth in the Registration Document.

The dividend per share is set at EUR 0.25. It will be traded ex-dividend as of June 1, 2010 and dividends will be payable as from June 23, 2010. Individuals residing in France will be entitled to a 40% tax rebate for French source dividends and will be subject to a flat-rate withholding tax.

The **third resolution** seeks your approval of the payment of dividends in new shares, with a discount of 10%. The issue price of the new shares offered as payment of dividend will be equivalent to 90% of the amount resulting from the calculation of the average opening quoted price during the twenty trading sessions preceding the decision to pay the dividend, minus the net dividend amount rounded up to the next Euro cent. In case the option is not exercised, the dividend will be paid cash.

This option Societe Generale proposed to its shareholders from 1988 to 1997 and in 2009 will allow the consolidation of the bank's equity.

The **fourth resolution** seeks your approval of the consolidated financial statements. Consolidated Group net income for 2009 amounted to EUR 1,108,543,000. Comments on the consolidated financial statements are also included in the Registration Document.

The **fifth resolution** seeks your approval of the Statutory auditors special report's statements on the implementation of related party agreements governed by the provisions of article L.225-38 of the French Commercial Code: one agreement with Groupama which ended on 29 September 2009 date of SG FSH's transfer of its entire participation in Groupama Bank share capital and two agreements with Rosbank, respectively approved by the General Meetings in 2006 and 2008.

The **sixth resolution** seeks your approval of the Statutory Auditors' special report on the related party agreements governed by the provisions of articles L.225-42-1 of the French Commercial Code, i.e. on the agreements relating to retirement benefit commitments approved by the General Meetings in 2006 in favour of Messrs. Daniel Bouton and Philippe Citerne, in 2007 in favour of Mr. Didier Alix, and in 2009 in favour of Mr. Séverin Cabannes.

It is acknowledged that:

- Mr. Daniel Bouton does not acquire any new right from the supplementary retirement scheme since May 12, 2008. His rights were set at that date and shall be liquidated when he will claim his rights to the French Social Security. His rights to pension payable by Societe Generale amount to 58.2% of his 2007 basic salary which was of EUR 1,250,000;
- Mr. Philippe Citerne claimed his rights to pension on May 1, 2009. His annual pension payable by Societe Generale amounts to EUR 351,637;
- Mr. Didier Alix claimed his rights to pension on December 1, 2009. His annual pension payable by Societe Generale amounts to EUR 359,916;
- On May 6, 2009 Mr. Oudéa terminated his employment contract which had been suspended since 14 March 2008. As a consequence, he lost the benefit from the party agreement relating to retirement benefit schemes approved by the 2009 General Meeting.

These agreements are detailed in the Registration Document and in the Statutory Auditors' special report.

The **seventh resolution** seeks your vote on the approval of an agreement related to retirement benefit commitments covered by article L.225-42-1 of the French Commercial Code , authorised by the Board of Directors dated 12 January 2010, in favour of Mr. Jean-François Sammarcelli.

According to this agreement, the supplementary retirement scheme for senior group managers from which benefited Mr. Jean-François Sammarcelli as an employee before his first appointment as chief executive officers is maintained.

It is noted that at 31 December 2009, Mr. Jean-François Sammarcelli has acquired, as an employee, rights to pension payable by Societe Generale equal to 43% of his 2009 basic salary. From 1 January 2010, the calculation asset for his rights to pension remains unchanged and will be equal to his last basic salary before his nomination as a Chief Executive Officer. The annuities retained will include the period of his mandate as a Chief Executive Officer and will increase each year the aforementioned percentage of 1.66%.

This agreement is detailed in the Registration Document and in the Statutory auditors' special report.

The **eighth resolution**, in accordance with Article L.225-42-1 of the French Commercial Code, seeks your approval of the agreement relating to retirement benefit commitments decided by The Board of Directors dated 12 January 2010, in favour of Mr. Bernardo Sanchez Incera.

In accordance with this agreement, Mr. Bernardo Sanchez Incera retains the benefit of the supplementary pension plan set out in 1991, for the Company's senior managers, which applied to him as an employee prior to his appointment as Chief Executive Officer.

This supplementary pension is equal to the product of the following:

- the average, over the last ten years of his career, of the proportions of basic salaries exceeding "Tranche B" of the AGIRC pension augmented by a variable component limited to 5% of basic salary;
- the rate equal to the ratio between a number of annuities corresponding to the years of professional service within Societe Generale and 60.

The AGIRC “Tranche C” pension acquired in respect of their professional service within Societe Generale is deducted from this total pension. The additional allocation to be paid by Societe Generale is increased for beneficiaries who have brought up at least three children, as well as for those retiring after 60. It may not be less than a third of the full rate service value of the AGIRC “Tranche B” points acquired by the executive concerned since gaining “Outside Classification” status.

The rights are subject to the employee being present in the Company upon liquidation of his pension.

This agreement is detailed in the Registration Document and in the Statutory auditors’ special report.

The **ninth resolution** in accordance with Article L.225-42-1 of the French Commercial Code, seeks your approval of the agreement relating to the party agreement relating to the non-competition clause authorised by the Board of Directors dated 23 April 2009 and in favour of Mr. Philippe Citerne.

In counterpart of his commitment not to work in a bank or an insurance company listed in France or out of France or in an unlisted bank in France, Mr. Philippe Citerne has a right to receive, a compensation equal to his basic salary as a Deputy Chief Executive Officer, monthly payable, amounting to a total of EUR 1,125,000 for 18 months. This compensation is paid since 1 May 2009.

This agreement is detailed in the Registration Document and in the Statutory auditors’ special report.

The **tenth resolution** in accordance with Article L.225-42-1 of the French Commercial Code, seeks your approval of the agreement relating to the party agreement relating to a severance pay decided by the Board of Directors dated 24 May 2009, in favour of M. Frédéric Oudéa at the time he was appointed Chairman and Chief Executive Officer.

It is noted that a similar agreement had been approved by the General Meeting dated 19 May 2009 with a 75.79% favorable votes. The tenth resolution seeks your approval as according to the Law, an approval is required each time there is an appointment or a mandate renewal.

This compensation would not be payable in the event of a dismissal or a serious fault.

In addition this compensation would be subject to fulfilment of the following performance conditions:

- in the event of departure before January 2010, the average Group after tax ROE, should exceed 6%, assessed on the last four published quarterly results;
- if the event of departure starting January 2010, the average Group after tax ROE calculated on the basis of the two fiscal years preceding the departure should be in excess of the one achieved by the lowest quartile of your Company’s peers.

The compensation would be equal to the difference between the compensations due, where necessary, by virtue of a non-compete clause and an amount equal to, in the event of a departure before 2010, to 3 times his basic annual salary, without being able to exceed two times his annual basic and variable salary or, in the event of a departure after 2010, equal to two times his annual basic and variable salary.

The Board of Directors' decision acknowledges that during the validity of the agreement concluded with the French State, relating to the support mechanism in stockholders' equity of banks, the compensations for departure or in the event of a non-compete clause, are not allocated or payable if the company has to proceed to redundancies on a large scale. This agreement ended on 4 November 2009, which is the date of the reimbursement of the TSSDI and of the repurchase of the preference shares to SPPE.

This agreement is detailed in the Registration Document and in the Statutory auditors' special report.

The **eleventh resolution** in accordance with Article L.225-42-1 of the French Commercial Code, seeks your approval of the conclusions of the Statutory Auditors' special report relating to the pursuit of the agreement relating to non-competition clause decided by the General Meeting dated 19 May 2009, in favour of Mr. Frédéric Oudéa.

Regarding the non-competition clause, Mr. Frédéric Oudéa should not, during one year from the termination of his position, resume an activity in a listed bank or insurance company in France or abroad, or in an unlisted bank in France. As a compensation, he would be entitled to receive an allowance monthly paid equal to his fixed-rate compensation as Chairman and Chief executive officer for the same period. Both parties would however be entitled to waive this clause.

In accordance with the AFEP-MEDEF code dated December 2008, the "non-competition clause" and "severance pay" commitments of the tenth and eleventh resolutions, in favour of Mr. Frédéric Oudéa are in overall limited to a maximum amount equal to two years' fixed-rate and performance related compensation.

This agreement is detailed in the Registration Document and in the Statutory auditors' special report.

II - Board of Directors - Directors' renewals - (resolutions 12 to 14)

In **resolution twelve and thirteen**, the Board of Directors, upon proposal of the Nomination and Corporate Governance Committee, proposes to renew, for a four-years term, the Directors' mandates of :

- Mr. Robert Castaigne, as independent Director, appointed for the first time in 2009.
- and Mr. Gianemilio Osculati, as independent Director, appointed for the first time in 2006.

The **fourteenth resolution** had for object the appointment of a new independent Director. The Board of directors decided not to make this proposal this year; the Board will rule upon proposal of the Nomination and Corporate Governance Committee at the time of the preparation of the 2011 Annual General Meeting. This proposal will not thus be subjected to the vote.

These proposals are in line with the aims of the Board of directors regarding its composition:

- a well-balanced and diversified mix of competencies and experience in finance and market activities areas;
- continuity and gradual renewal (10 directors among 13 will have been nominated since 2004 if the resolutions are adopted in 2010).

Pursuant to these appointments, the Board of directors will comprise thirteen members including two employees representatives elected by the employees in 2009 for three years and nine independent Directors. It will comprise 3 women.

III – Authorisation to buy back Societe Generale’s shares (resolution 15)

The **fifteenth resolution** seeks to renew the authorisation of the Company to buy back its own shares as granted to the Board of Directors by the General Meeting of May 19, 2009.

The effect of this resolution is to authorise the Company to purchase its own shares up to a legal limit of 10% of its capital stock at the date of purchase and specifies that the number of shares held following purchases may not exceed 10% of the capital stock. The authorisation would be valid for 18 months.

This authorisation will serve exactly the same purposes as previous authorisations you have granted in past years.

- to attribute, cover and implement, stock option plans, free share plans, otherwise awarding shares or any other form of allocation to employees and executive officers of the Group.
- to provide shares upon the exercise of securities with an equity component.
- to hold and subsequently use the shares in exchange or as payment for Group’s acquisitions.
- to grant a liquidity contract.
- by virtue of the twenty third resolution of this General Meeting, to buy back shares and then to cancel them in order to compensate dilution resulting from issues of stock bound connected to plans shots of options or free actions(shares) or to capital increases reserved for the employees.

The shares may be bought, sold or transferred by any means and at any time, except in the period of a public offer, on one or more occasions, in accordance with the limits and methods set forth by laws and regulations.

The transactions referred to above may be carried out through over-the-counter or block purchases and sales or in the form of options or derivatives.

The maximum purchase price of the shares is set at EUR 100 per share, i.e. around 2 times the net asset value per share as at December 31, 2009.

A detailed report on the 2009 share buyback program is set forth in the Registration Document. An electronic version of the description of the share buyback program submitted to your vote will be available on the Company’s website prior to the General Meeting.

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PRESENTED TO THE EXTRAORDINARY MEETING

IV – Authorisation to issue ordinary shares or any securities which give access to the capital stock of the Company (resolutions 16 to 22)

The Board of Directors’ financial delegations of authority were given to him by your 2008 General Meeting and they expire in 2010. The list of outstanding delegations hereafter attached is a resume of their use by the Board.

It is proposed to end these delegations and to authorise new delegations in favour of the Board of Directors for a period of 26 months.

Your Board of Directors proposes that the global ceiling for the authorisations to increase the share capital be fixed at 49.7% of the share capital at the date of the General Meeting, i.e. a maximum amount of ordinary shares of EUR 460,000,000 issued. This global ceiling includes all the issues that might be realised through all the authorisations voted during your 2010 General Annual Meeting (resolutions 16 to 22), as well as the ceiling for the issues without pre-emptive subscription rights capped at 14.9% (resolution 17). The maximum nominal amount of debt securities with an equity component would hereby be set at EUR 6 billion.

The special ceiling to increase the capital through the incorporation of reserves would be up to a maximum nominal amount of EUR 550 million (resolution 16). This separate and independent ceiling is justified by the totally different nature of the incorporation of reserves through the allocation of free shares or through the increase of the existing shares' nominal, i.e. with no dilution for the Shareholders and without changes of volume of the stockholders' equity of the Company.

These amounts are set, if necessary, in respect of the additional increases of share capital resulting from the adjustment of the rights of some shareholders in the event of the issue of new shares.

In the event of a public offer, these authorisations would be automatically suspended and their application would be approved or confirmed by the General Meeting, in accordance with the applicable terms of the Law.

V – Authorisation to issue ordinary shares or any securities which give access to the capital stock of the Company, except those which grant access to the capital stock to employees and Chief Executive Officers (resolutions 16 to 19)

A - Authorisation to issue shares with or without pre-emptive subscription rights (resolutions 16 and 17)

The **sixteenth and seventeenth resolutions** propose the renewal of the authorisations to increase the Company's capital granted for a period of 26 months by the General Meeting of May 27, 2008.

The Board of Directors made use in 2009 of the authorisation to increase the capital by issuing shares with pre-emptive subscription rights. This issue concerned 20.68% of the capital stock at the transaction date.

The Board did not make use of the authorisation to issue shares without pre-emptive subscription right.

The Board seeks to renew these authorisations at a level required to sustain the future growth of the Company and to provide a source of funding for acquisitions.

As demonstrated by the most recent issues, the Board of Directors prefers recourse to operations with pre-emptive subscription right. Notwithstanding this, it deems it necessary to maintain the possibility to increase the capital without pre-emptive subscription rights in order to have the faculty, where necessary, to simplify the formalities and to shorten the regulatory delays in the event of a public issue on the French stock market or on international stock markets or on both simultaneously, depending on the circumstances. This type of issue offers a means to broaden the shareholder base of the Company and therefore its reputation and to optimise the raising of shareholders' equity.

In the case of capital increases without pre-emptive subscription rights, the Board of Directors may reserve a priority subscription right for existing shareholders, enabling them to subscribe to the issue before the public.

Furthermore, capital increases without pre-emptive subscription right, whether immediate or deferred are governed by the legal principle that persons who are not existing shareholders may not subscribe to, or may not be allocated shares at a price below the legal minimum, namely the weighted average price quoted over the last three trading sessions preceding the fixing of the price, with the possible application of a discount of up to 5%.

In accordance with these rules, your Board of Directors would set the issue price for transferable securities in the best interests of the Company and its shareholders, while taking account of all of the requirements set by law and by financial markets rules.

B – “Green-shoe” options (resolution 18)

By voting in favour of the **eighteenth resolution**, you authorise the Board of Directors, in the event of excess demand for shares offered under any capital increases decided pursuant to the 16th or 17th resolutions, to increase the number of shares to be issued up to 15% of the initial issue.

The Board has never made use of this standard market practice that was codified into law in 2004. Nevertheless, the Board deems it necessary to hold such a faculty.

As appropriate and insofar as it is in the best interests of the Company and its shareholders, the Board of Directors may make use of this faculty within 30 days of the closing of subscriptions, at the same price as that of the initial issue and within the ceiling limit specified by the 16th and 17th resolutions.

C - Authorisation to increase the share capital in remuneration for share contributions (resolution 19)

The purpose of the **nineteenth resolution** is to renew the authorisation granted to the Board of Directors in 2008 which allows the Board to carry out a capital increase up to 10% of the capital stock, in order to pay for contributions of shares or securities with an equity component that are not part of a public exchange offering.

The Board did not make use of the authorisation granted by the General Meeting in 2006 and 2008.

An issue carried out under this authorisation would be subject to the report of the contribution auditor.

This authorisation shall not count towards the overall ceiling for capital increases that may be effected by the Board of Directors, as the amount set by the General Meeting will be deducted from the ceilings set forth in the 16th and 17th resolutions.

VI – Authorisations to issue ordinary shares and securities which give access to the capital stock to employees and Chief Executive Officers (resolutions 20 to 22)

As with the aforementioned financial authorisations to carry out capital increases, the Board of Directors holds the following authorisations which are due expire. The list of outstanding authorisations, together with a description of their use, is provided in the appended table. The Registration Document provides further information about beneficiaries and conditions of grant for purchase options and free shares.

All proposed ceilings would impute on the global ceiling of the sixteenth resolution.

A - Global employee share ownership plans (GESOP) – Authorisation to issue shares reserved for employees (resolution 20)

The table below shows the employees' stake in the Company's capital over the last five years. This stake has remained stable even though the Board makes use every year of the authorisation to increase the capital in favour of the employees. This shows that each year on average the employees buy and sell shares or participation in the FCPE in roughly equal proportions.

	31.12.05	31.12.06	31.12.07	31.12.08	31.12.09
Part in the capital of employees and former employees via the Group employee share ownership program	7.56%	7.03%	7.17%	7.10%	7.12%

We remind you that the employees whether shareholders or detaining participations in the FCPE have the right to vote at the General Meeting.

In 2009, the General Meeting authorised the Board to proceed to increases of share capital reserved for employees of the Group for a maximum amount of 1.75% of the share capital for a period of 14 months.

The Board of Directors on 17 February 2010 decided on the principle of an increase reserved for employees for a maximum amount of 10 million of shares, i.e. 1.37% of the share capital. This operation is in process.

The purpose of the **twentieth resolution** is to renew this authorisation which will replace the outstanding authorisation and to limit the volume of shares issued to 3% of the capital stock in a 26-month period.

It will enable the Company to issue reserved shares or securities with an equity component, as appropriate, in separate stages to the subscribers of the Company or Group savings plan along with its affiliated companies within the meaning of article L.225-180 of the French Commercial Code and L.3344-1 and L.3344-2 of the French Labour Code, in accordance with legal framework in force.

It will include the waiver of pre-emptive subscription rights of shareholders in favour of the subscribers of such plans.

The subscription price will be equal to the average quoted price over the twenty trading sessions preceding the date of the decision setting the opening date for subscription, minus a 20% discount. However, the Board of Directors would be entitled to award free shares or other securities granting access to the capital instead and in place of the discount, or may reduce or eliminate the discount, subject to the legal or regulatory limits.

Furthermore, within the limits set by article L.3332-21 of the French Labour Code, the Board of Directors may resolve to allocate free shares or other securities granting access to the capital instead and in place of the employer's matching contribution, subject to the legal or regulatory limits.

The Board of Directors may also decide that one or more issues reserved for employees, instead of taking place via share capital increases, will be carried out through the sale of shares under the conditions of article L.3332-24 of the French Labour Code.

Finally, in accordance with legal provisions, the decision setting the subscription date may be taken by the Board of Directors or by his delegate.

In the event that this authorisation is used, you will be informed of the definitive terms of the transactions and their impact in the supplementary reports of the Board of Directors and of the Statutory Auditors, as required by provisions in force.

B - Authorisation to allocate subscription or share purchase options (resolution 21)

The Board of Directors is asking you to renew the possibility to grant subscription or share purchase options to specific members of staff and Chief Executive Officers of Societe Generale and of the companies or economic interest groupings that are directly or indirectly affiliated to it under the terms of article L.225-180 of the French Commercial Code.

In 2008, the General Meeting authorised the Board of Directors to allocate a number of stock options enabling grantees to subscribe or purchase a number of shares representing at most 4% of the capital of Societe Generale over a 26-months period.

The Board made use of this authorisation in March 2009 and granted share purchase options representing 0.15%. In 2010, the Board of Directors of March 9 has granted subscription options representing 0.17% of the capital.

In 2007, for 60% of the allocation, options subordinated to performance conditions have been awarded to Chief Executive Officers where subordinated to performance conditions: these conditional options would only have been vested after a period of three years, based on a performance criteria related to the Group's performance compared to its main competitors, measured by the total shareholders' return (TSR) on the Societe Generale share over the three years following the attribution. These performance conditions are detailed in the Registration Document. As they were not met, the options were cancelled.

In 2008, Mr. Bouton and Mr. Citerne did not receive any options. The options allocated to the other Executive Officers, i.e. Mr. Oudéa and Mr. Alix, are for 60% of the allocation, subordinated to the same performance criteria as in 2007. The options allocated to members of the Executive Committee or of the Management Committee and to key managers are subordinated, for 50% or 100% according to the allocations, to a performance criteria based on the Group's earning per share. The performance criteria have not been met and thus, these performance-related options or shares allocated to the executives by the 2006, 2007, and 2008 plans are cancelled.

In 2009 the executive officers waived the options awarded. In 2010 they will not benefit from any allocation. The options allocated to members of the Executive Committee or of the Management Committee and to key managers are subordinated, for 50% according to the allocations, to a performance criteria.

On March 9th 2010, the outstanding options in the money amount to 0.28% of the capital stock (including 2.23% of subscription options).

The purpose of the **twenty-first resolution** is to renew this authorisation and to replace the existing authorisation.

Thus, the number of options that may be granted may not entitle beneficiaries to subscribe or purchase a number of shares over a 26-month period representing more than 4% of the capital of Societe Generale at this date. Furthermore, this ceiling is applicable to both stock options and free shares as provided under the 22nd resolution and will be deducted from the ceilings provided for by the 16th resolution. In addition, the number of options granted to executive officers may not entitle holders to subscribe a number of shares representing more than 0.2% of the capital stock at this date, and this ceiling shall be deducted from the 4% blanket ceiling.

Options would be valid for no more than 7 years as of their grant date.

The strike price may not be less than 100% of the average quoted price over twenty trading sessions preceding the date of granting and the sale price not be less than 100% of the average cost basis of shares held by the Company.

Any allocation of options to Chief Executive Officers would be subject to retention conditions within the meaning of article L.225-185 of the French Commercial Code.

Moreover, these allocations would be linked to performance on the basis of the performance criteria used in the past and depending on the categories of beneficiaries.

As the law currently stands, stock options may not be granted:

- for a period of ten trading sessions preceding and following the date on which the consolidated financial statements are published;
- for a period between the date on which the Company's management bodies receive information that, if made public, might have a significant impact on the Company's share price, and the date falling ten trading sessions after the public disclosure of said information;
- in the twenty trading sessions following the date on which the shares are traded ex-dividend, or in the twenty trading sessions following a capital increase.

The General Meeting will be informed each year of the transactions carried out under the terms of this authorisation.

C - Authorisation to award free shares (resolution 22)

This Board of Directors seeks to renew the authorisation to award free shares of Societe Generale, pursuant to the conditions of articles L.225-197-1 *et seq.* of the French Commercial Code.

In 2008, the General Meeting authorised the Board of Directors to grant a number of shares representing no more than 2% of the capital stock of Societe Generale for a period of 26 months.

The Board of Directors did not grant any shares to Chief Executive Officers.

The Board made use of this authorisation in January 2009 and awarded existing shares representing 0.53% of the capital. In 2010, the Board of Directors of March 9th awarded existing shares representing 0.71% of the capital.

The plans implemented in 2006, 2007, 2008 and 2009 include a minimum attendance requirement and, for the main beneficiaries, depends on a condition of performance. This condition of performance was based on the ROE or on the Group's earning per share (BNPA). For the plans implemented in 2006, 2007 and 2008, the performance criteria were not met and the allocations were lost. Further information is provided in the Registration Document.

For 2010, the allotments of free shares, made in favour of Chief Executive Officers and Directors, are subordinated, for 50% to a performance criteria. This is a performance criteria related to the Group's performance. A second condition is added consisting of a comparison of the Group's performance to its main competitors and which could be activated in the event of a non realisation of the first condition.

On March 9th, 2010, outstanding allocation of free shares represent 1.43% of the capital stock.

The **twenty-second resolution** proposes to renew this authorisation which will supersede the outstanding authorisation within the limits of a global ceiling (resolution 21), with ceiling of 4% over 26-months applicable to stock options.

This system is intended to supplement the existing remuneration and employee loyalty mechanisms, via a tax-efficient and social security efficient mechanism for the Company and for employees, which has a significantly lesser dilutive effect than options, for an identical cost to the Company in accordance with IFRS 2 accounting standards. By virtue of its duration and conditions for attribution, it helps to instil loyalty among beneficiaries and to tie their interests with those of shareholders.

The attribution decision of the Board of Directors opens up a period of at least two years from which, if the conditions set by the Board of Directors are fulfilled, the beneficiary shall become a shareholder. As from this date, a new two-year holding period begins, during which beneficiaries are prohibited from selling shares.

In order to enable companies to use this mechanism outside France while enabling employees who are non-French residents to benefit from non-penalising tax and social security regimes. Thus, if the Board of Directors applies a four-year period for acquisition, it could reduce or eliminate the holding period for shares.

The allocations would meet two objectives:

- continue with the policy of the past years which enables the executives and non-executives to be associated with the Group's medium-term performance. This policy also applies to employees of the investment bank and complies with the international guidelines relating market operators.
- from 2010, a general and egalitarian allocation of shares to all Group's employees in order to associate the whole Company with the objectives and results of the plan Ambition 2015 Plan.

Contrary to the previous authorisations, all allocations would fully include a presence and a performance condition. The performance condition (s) would vary with the beneficiaries' categories. The conditions proposed are of the same nature as the conditions already retained in previous years. Nevertheless, concerning the plan for all the employees, to the financial condition would be added a condition based on a "client satisfaction indicator".

It is also proposed that the possibility to benefit from free shares could be given to Chief Executive Officers so that the new rules adopted by the market regulator for the deferred remuneration in shares of Chief Executive Officers of financial establishments, be applied.

VII - Authorisation to reduce the share capital by cancellation of shares (resolution 23)

The purpose of the **twenty-third resolution** is to renew for a 26-month period the authorisation granted to the Board of Directors on 27 May 2008 to cancel shares acquired by the Company under share buy back plans, provided that the aggregate amount of shares cancelled in a 24-month period does not exceed 10% of the share capital.

In accordance with regulations governing credit institutions, such cancellation will, as appropriate, be carried out with the authorisation of the "*Comité des établissements de crédit et des entreprises d'investissement*" (French Committee of Credit Institutions and Investment Companies).

The Company's policy is to use this authorisation to counteract the dilutive effect of capital increases carried out in connection with global employee share ownership plans (GESOPs) and subscription options.

VIII - Modification of the By laws following the repurchase and cancellation of the preference shares (resolution 24)

The **twenty-fourth resolution** proposes, following the repurchase and cancellation of the preference shares which had been bought by the “*Société de Prise de Participation de l’Etat*”, to cancel the By laws’ dispositions relating to these preference shares.

IX- Powers to carry out formalities (resolution 25)

The **twenty-fifth resolution** is a standard resolution that grants general powers to the Board to carry out all necessary formalities.