

SOCIÉTÉ GÉNÉRALE SFH
€ 40,000,000,000
Euro Medium Term Note Programme
for the issue of *obligations de financement de l'habitat*

SECOND SUPPLEMENT TO THE BASE PROSPECTUS DATED 30 MAY 2018

DATED 07 DECEMBER 2018

This Second supplement (the *Second Supplement*) is supplemental to, and should be read in conjunction with, the base prospectus dated 30 May 2018 which was granted visa n°18-211 on 30 May 2017, the supplement (the *Base Prospectus*), prepared by Société Générale SFH (the *Issuer*) with respect to its € 40,000,000,000 Euro Medium Term Note Programme (the *Programme*) and with the First Supplement dated 15 November 2018, which was granted visa n°18-518 on 15 November 2018.

The Issuer has prepared this Second Supplement pursuant to article 16.1 of the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended pursuant to Directive 2010/73/EC of 24 November 2010 (the *Prospectus Directive*) and article 212-25 of the *Règlement Général* (the *AMF General Regulations*) of the *Autorité des marchés financiers* (the *AMF*) for the purpose of:

- updating section headed "Relationship between Société Générale SFH and Société Générale" of the Base Prospectus;

The Base Prospectus, as supplemented pursuant to this Second Supplement, constitutes a base prospectus for the purpose of the Prospectus Directive. Terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

Application has been made to the AMF in France for approval of this Second Supplement, in its capacity as competent authority pursuant to article 212-2 of the AMF General Regulations.

Save as disclosed in this Second Supplement, no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Second Supplement and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements in (a) above will prevail.

To the extent applicable, and provided that the conditions of article 212-25, I of the AMF General Regulations are fulfilled, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this Second Supplement is published, have the right, according to Article 212-25 II of the AMF General Regulations, to withdraw their acceptances within a time limit of minimum two (2) working days after the publication of this Second Supplement (no later than 11 December 2018).

This Second Supplement will be published on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (<http://prospectus.socgen.com>). For so long as any Notes may be issued pursuant to the Base Prospectus, copies of this Second Supplement will also, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s).

This Second Supplement is governed by French law.

In accordance with articles L. 412-1 and L. 621-8 of the French Monetary and Financial Code and with the AMF General Regulations, in particular articles 212-31 to 212-33, the AMF has granted to this Second Supplement visa n° 18-553 on 07 December 2018. This Second Supplement was prepared by the Issuer and its signatories assume responsibility for it.

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

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

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1. AMENDEMENT TO THE BASE PROSPECTUS

The section headed "**Relationship between Société Générale SFH and Société Générale**" on pages 92 to 94 of the Base Prospectus is modified as follows:

“(i) Interest Reserve

If the credit ratings of Société Générale fall below A2 (CR) (long-term Counterparty Risk Assessment) or P-1 (CR) (short-term Counterparty Risk Assessment) by Moody's, Société Générale must fund within thirty (30) calendar days following the occurrence of such event, an interest reserve and adjust it (i) on a monthly basis, and (ii) two (2) Business Days prior to any drawdown under the Facility Agreement (the ***Interest Reserve***).

The reserve amount shall be equal to the shortfall (if any) between (a) the interest amount to be paid until the latest maturity of the Notes (assuming, for floating rate interests, that the rates remain at their current level as of the calculation date) and (b) the interest amount to be received under the Collateral Security Assets (taking into account their contractual amortization profile and assuming, for floating rate interests, that the rates remain on their current level as of calculation date) until the latest maturity of the Notes, plus the pre-maturity interest reserve already funded covering the interest due under the Notes over the next ninety (90) calendar days.

(ii) Pre-Maturity Test

As long as no Pre-Maturity Rating Downgrade Event has occurred

As long as no Pre-Maturity Rating Downgrade Event (as defined below) has occurred, Société Générale shall fund a prior cash collateral reserve (that may be adjusted further to the calculations carried out in accordance with the formula below mentioned) into the cash collateral account equal to:

- (a) the amount of principal of the Notes that will become due under the hard bullet Notes for the following one hundred and eighty (180) calendar days; and
- (b) interests of the Notes that will become due under all the Notes, both hard and soft bullet Notes, for the following ninety (90) calendar days; less
- (c) the available liquid assets (*valeurs de remplacement*) set forth in Article R. 513-20 of the French Monetary and Financial Code.

In case of the occurrence of a Pre-Maturity Rating Downgrade Event:

If the credit ratings of Société Générale fall below P-1 (CR) (short-term Counterparty Risk Assessment) by Moody's or F1 (short-term) and A (long-term) by Fitch Ratings respectively (each, a "**Pre-Maturity Rating Downgrade Event**"), Société Générale shall be required to fund a cash collateral account, replacing the abovementioned prior cash collateral reserve, within fourteen (14) calendar days following the occurrence of such event, in accordance with a pre-maturity test which is a contractual liquidity test.

The reserve amount (the ***Pre-Maturity Test***) shall be equal to:

- (a) the amount of principal of the Notes that will become due under the hard bullet Notes for the following two hundred and seventy (270) calendar days;

- (b) interests of the Notes that will become due under all the Notes, both hard and soft bullet Notes, for the following ninety (90) calendar days; and
- (c) the aggregate amount of fees, costs, expenses, taxes and other ancillary sums (excluding interest and principal amounts) scheduled to be paid by the Issuer on any Series of Notes for the following two hundred and seventy (270) calendar days, as well as any fees and expenses benefiting from the *Privilège*.

(iii) Collection Loss Reserve

If the long-term or short-term Moody's Counterparty Risk Assessment of Société Générale falls below Baa2 (CR) -or if the Issuer Default Rating (IDR) of Société Générale falls below BBB (long-term) and F2 (short-term) by Fitch Ratings (the **Collection Loss Trigger Event**) respectively, Société Générale shall be required to fund a cash collateral account within ten (10) Business Days following the occurrence of such event (the **Collection Loss Reserve**). The reserve amount shall be equal to the aggregate amount of collections (interests and principal) scheduled to be received under the home loans transferred as Collateral Security during the two and half (2,5) calendar months following the occurrence of the Collection Loss Trigger Event. As long as the Collection Loss Trigger Event is continuing, the reserve amount shall be adjusted before any drawdown by Société Générale acting as Borrower under the Facility Agreement and at the end of each month so that the amount standing to the credit of this cash collateral account be equal to the sum of collections scheduled to be received under the home loans transferred as Collateral Security during the two and half (2,5) calendar months following such date. The calculated collections will take into account a constant prepayment rate defined as the average rate calculated over the twelve (12) months preceding the calculation date of such amount.

The Pre-Maturity Test, the Interest Reserve and the Collection Loss Reserve shall be credited to dedicated accounts (on the one hand, the Cash Collateral Account, and on the other hand the Collection Loss Reserve Account) opened in the books of a bank with the Requisite Rating, provided that if the rating of such account bank no longer complies with the Requisite Rating, the Issuer shall replace such account bank within sixty (60) calendar days as from the date of such non-compliance.

Where **Requisite Rating** means:

- (d) in respect of the deposit rating or the Issuer Default Rating (IDR) if the deposit rating is not available, a credit rating of at least A (long-term) or F1 (short-term) by Fitch Ratings, and
- (e) in respect of the deposit rating, a credit rating of at least A2 (long-term) and P-1 (short-term) by Moody's, provided that if no short-term credit rating is assigned by Moody's, the long-term credit rating is equal to at least A1.

The Issuer and Société Générale may agree from time to time that Société Générale shall fund additional cash collaterals in order to hedge currency risk, if any, or any other risk.”

2. PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THIS SUPPLEMENT

In the name of the Issuer

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

Paris, 07 December 2018 :

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France

Duly represented by Agathe ZINZINDOHOUE
in her capacity, as Chief Executive Officer (*Directrice Générale*) of the Issuer