

**SOCIÉTÉ GÉNÉRALE SFH**  
**€25,000,000,000**  
**Euro Medium Term Note Programme**  
**for the issue of obligations de financement de l'habitat**

Under the Euro Medium Term Note Programme (the *Programme*) described in this base prospectus (the *Base Prospectus*), Société Générale SFH (the *Issuer*), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations de financement de l'habitat* to be governed either by French law or German law, as specified in the relevant Final Terms (as defined below) (respectively, the *French Law Notes* and the *German Law Notes* and together, the *Notes*) within the meaning of article L. 513-30, I of the *Code monétaire et financier* (the *French Monetary and Financial Code*). All French Law Notes and German Law Notes will benefit from the statutory *privilege* (priority right of payment) created by article L.513-11 of the French Monetary and Financial Code (the *Privilege*), as more fully described herein.

The Terms and Conditions and the form of final terms of the German Law Notes are set out in the Paying and Registration Agency Agreement.

An application has been made to the *Autorité des marchés financiers* (the *AMF*) in France for approval of this Base Prospectus in its capacity as the competent authority pursuant to article 212-2 of its *Règlement Général* (the *AMF General Regulations*), which implements 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 (to the extent that such amendments have been implemented in a Member State of the European Economic Area) (the *Prospectus Directive*).

An application may be made to Euronext Paris within a period of twelve (12) months after the date of the visa granted by the AMF on the Base Prospectus in order for French Law Notes issued under the Programme to be listed and admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as amended from time to time (a *Regulated Market*). French Law Notes issued under the Programme may also be unlisted or listed and admitted to trading on any other stock exchange, including any other Regulated Market in any Member State of the European Economic Area. The relevant final terms (a form of which is contained herein) in respect of the issue of any French Law Notes (the *Final Terms*) will specify whether or not an application will be made for such French Law Notes to be listed and admitted to trading and, if so, the relevant Regulated Market(s) or stock exchange(s) where the French Law Notes will be listed and admitted to trading. The German Law Notes will not be admitted to trading nor listed on any Regulated Market(s) or stock exchange(s). Notes admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of € 100,000 (or its equivalent in any other currency at the time of issue), or such higher amount as may be allowed or required by the relevant monetary authority or any applicable laws or regulations.

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

Dematerialised Notes will at all times be in book-entry form in compliance with articles L. 211-3 *et seq.* of the French Monetary and Financial Code. No physical documents of title will be issued in respect of the Dematerialised Notes. Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as the central depository) which shall credit the accounts of the Account Holders (as defined in the section entitled "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank S.A./N.V. (*Euroclear*) and the depository bank for Clearstream Banking, *société anonyme* (*Clearstream, Luxembourg*), or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in the section entitled "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination"), in either fully registered form (*au nominatif pur*), in which case they will be either inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*), in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a *Temporary Global Certificate*) will initially be issued in relation to the Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached, on or after a date expected to be on or about the fortieth (40<sup>th</sup>) day after the issue date of the Notes (subject to postponement as described in the section entitled "Temporary Global Certificate in respect of Materialised Notes") upon certification as to non-U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche (as more fully described herein) intended to be cleared through Euroclear and/or

Clearstream, Luxembourg, be deposited on the issue date with a common depository for Euroclear and Clearstream, Luxembourg, and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s) (as defined below).

German Law Notes will be issued in materialised registered form only.

Notes issued under the Programme are expected to be rated AAA by Fitch Ratings S.A.S. (*Fitch Ratings*) and Aaa by Moody's Investors Service Limited (*Moody's*) and, together with Fitch Ratings, the *Rating Agencies* and each a *Rating Agency*). The rating of the Notes will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning Rating Agency without notice. As of the date of this Base Prospectus, each of the Rating Agencies is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended (the *CRA Regulation*). Each of the Rating Agencies is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) in accordance with the CRA Regulation.

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



In accordance with articles L. 412-1 and L. 621-8 of the French Monetary and Financial Code and with the General Regulation of the AMF, in particular articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa n°14-196 on 13 May 2014. This Base Prospectus was prepared by the Issuer and its signatories assume responsibility for it.

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

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

## ARRANGER AND PERMANENT DEALER



The date of this Base Prospectus is 13 May 2014.

## **1. PREAMBLE**

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

**This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and with all documents incorporated by reference (see section entitled "Documents incorporated by reference") and, in relation to any Tranche of Notes, should be read and construed in conjunction with the relevant Final Terms.**

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

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

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

offer or sale of the Notes in the United States of America, the European Economic Area (including the Federal Republic of Germany, France, Italy, the Kingdom of Spain, the Netherlands, Switzerland and the United Kingdom) and Japan.

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

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

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

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

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

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

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

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

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## **2. SUPPLEMENT TO THE BASE PROSPECTUS**

In connection with Notes admitted to trading on a Regulated Market, if at any time during the duration of the Programme there is any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus that could materially affect the assessment of any Notes, the Issuer shall prepare a supplement to the Base Prospectus in accordance with article 16.1 of the Prospectus Directive and article 212-25 of the AMF General Regulations or publish a replacement Base Prospectus for use in connection with any subsequent issue of the Notes, submit such supplement to the Base Prospectus to the AMF for approval and supply each Dealer, Euronext Paris and the AMF with such number of copies of such supplement to the Base Prospectus as may reasonably be requested.

### 3. DOCUMENTS INCORPORATED BY REFERENCE

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

- the "*Société Générale SFH – Exercice clos le 31 décembre 2013 – Rapport des commissaires aux comptes sur les comptes annuels*" (the **2013 Auditors' Report**) and the "*Société Générale SFH – Comptes annuels 31/12/2013*" (the **2013 Annual Accounts**) (both in the French language) (together, the **2013 Financial Statements**);
- the "*Société Générale SFH – Exercice clos le 31 décembre 2012 – Rapport des commissaires aux comptes sur les comptes annuels*" (the **2012 Auditors' Report**) and the "*Société Générale SFH – Comptes annuels 31/12/2012*" (the **2012 Annual Accounts**) (both in the French language) (together, the **2012 Financial Statements**);
- the terms and conditions of the notes contained in the base prospectus of the Issuer dated 29 April 2011 (the **2011 EMTN Conditions**), the terms and conditions of the notes contained in the base prospectus of the Issuer dated 27 April 2012 (the **2012 EMTN Conditions**) and the terms and conditions of the notes contained in the base prospectus of the Issuer dated 3 May 2013 (the **2013 EMTN Conditions** together with the 2011 EMTN Conditions and the 2012 EMTN Conditions, the **EMTN Previous Conditions**) for the purpose only of further issue of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions;

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

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

## CROSS-REFERENCE LIST

Information incorporated by reference	Reference
<b>Historical financial information concerning the assets and liabilities of the Issuer, its financial position and its profits and losses</b>	
<i>2013 Financial Statements</i>	
Balance and Off Balance sheet	Section entitled “ <i>Bilan et Hors Bilan</i> ” of the 2013 Annual Accounts
Profit and loss account	Section entitled “ <i>Compte de résultat</i> ” of the 2013 Annual Accounts
Accounting principales relating to the above	Section entitled “ <i>Annexe</i> ” of the 2013 Annual Accounts
Notes relating to the above	Sections entitled “ <i>Annexe</i> ”, “ <i>Informations sur Bilan et Compte de Résultat</i> ” and “ <i>Engagements Financiers et Autres Informations</i> ” of the 2013 Annual Accounts
Auditor’s report relating to the above	2013 Auditors’ Report
<i>2012 Financial Statements</i>	
Balance and Off Balance sheet	Section entitled “ <i>Bilan et Hors Bilan</i> ” of the 2012 Annual Accounts
Profit and loss account	Section entitled “ <i>Compte de résultat</i> ” of the 2012 Annual Accounts
Accounting principales relating to the above	Section entitled “ <i>Annexe</i> ” of the 2012 Annual Accounts
Notes relating to the above	Sections entitled “ <i>Annexe</i> ”, “ <i>Informations sur Bilan et Compte de Résultat</i> ” and “ <i>Engagements Financiers et Autres Informations</i> ” of the 2012 Annual Accounts
Auditor’s report relating to the above	2012 Auditors’ Report

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

Information incorporated by reference	Reference
<i>EMTN Previous Conditions</i>	
2011 Previous Conditions	Pages 64 to 89
2012 Previous Conditions	Pages 57 to 83
2013 Previous Conditions	Pages 56 to 81

Non-incorporated parts of the base prospectus of the Issuer dated 29 April 2011, the base prospectus of the Issuer dated 27 April 2012 and the base prospectus of the Issuer dated 3 May 2013 are not relevant for investors.

#### 4. GENERAL DESCRIPTION OF THE PROGRAMME

*This general description must be read as an introduction to this Base Prospectus and does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by reference to, the more detailed information which appears elsewhere in this Base Prospectus. Any decision to invest in any Note should be based on a consideration by the investor of this Base Prospectus as a whole and the corresponding Final Terms.*

*In addition, as the minimum denomination of the Notes is €100,000, the following section is not, and is not to be regarded as, a summary within the meaning of article 212-8 of the AMF General Regulations.*

*Words and expressions defined in the section entitled "Terms and Conditions of the Notes" below shall have the same meanings in this general description. The expression "Notes" refers to the French Law Notes and the German Law Notes to the extent permitted by the terms and conditions applicable to the French Law Notes and the German Law Notes, as applicable.*

#### I. THE PARTIES UNDER THE PROGRAMME

**Issuer:** Société Générale SFH, a *société anonyme* incorporated under French law duly licensed as a French specialised credit institution (*établissement de crédit spécialisé*) with the status of *société de financement de l'habitat* (SFH) delivered by the *Autorité de contrôle prudentiel et de résolution*.

The Issuer's assets are exclusively composed of home loans, securities and assets that are eligible to *société de financement de l'habitat* pursuant to the French legal framework applicable to *sociétés de financement de l'habitat* (see section entitled "Description of the Issuer - Issuer's exclusive purpose and business overview" and "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*").

The Issuer, acting as lender, entered with Société Générale, acting as borrower (the ***Borrower***), into a facility agreement (the ***Facility Agreement***). In order to secure the full and timely payment of all financial obligations which are or will be owed by Société Générale to the Issuer under the Facility Agreement, the Issuer, acting as beneficiary, and Société Générale, in its capacity as borrower, entered into a collateral security agreement (the ***Collateral Security Agreement***) setting forth the terms and conditions upon which (i) Société Générale shall transfer, by way of security (*remise en pleine propriété à titre de garantie*) to the benefit of the Issuer pursuant to articles L. 211-36 *et seq.* of the French Monetary and Financial Code, home loans complying with the eligibility criteria provided for by article L. 513-29 of the French Monetary and Financial Code and (ii) Société Générale shall transfer to the Issuer certain amounts as cash collateral (*gage espèces*) upon the occurrence of certain downgrading events relating to Société Générale (see sections entitled "Risk Factors - Risk factors relating to the Collateral Security", "Risk Factors - Risk factors relating to the Operation of the Issuer - Liquidity risk" and "Relationship between Société Générale SFH and Société Générale").

**Arranger:** Société Générale.

<b>Dealers:</b>	<p>Société Générale has been appointed by the Issuer as dealer in respect of the Programme.</p> <p>The Issuer may, from time to time, appoint additional dealers either in respect of one (1) or more Tranches or in respect of the Programme. References in this Base Prospectus to <b>Permanent Dealers</b> are to Société Générale and to such additional persons that are appointed as dealers in respect of the Programme (and whose appointment has not been terminated) and references to <b>Dealers</b> are to the Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p> <p>The Issuer may also terminate the appointment of any Dealer from time to time.</p>
<b>Fiscal Agent and Principal Paying Agent:</b>	Société Générale.
<b>Paying Agents:</b>	Société Générale (as Paris Paying Agent) and Société Générale Bank & Trust (as Luxembourg Paying Agent).
<b>Calculation Agent:</b>	Société Générale, unless the Final Terms provide otherwise.
<b>Services Provider:</b>	Société Générale.
<b>Statutory auditors:</b>	Ernst & Young et Autres and Deloitte & Associés (see the sections entitled "Statutory auditors of the Issuer" and "Description of the Issuer – Control of the Issuer").
<b>Specific Controller:</b>	Cailliau Dedouit et Associés (see the section entitled "Description of the Issuer – Control of the Issuer").
<b>Rating Agencies:</b>	<p>Fitch Ratings and Moody's as credit rating agencies authorised to provide a rating document in respect of <i>sociétés de financement de l'habitat</i>. As of the date of this Base Prospectus, each of Fitch Ratings and Moody's is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended (the <b>CRA Regulation</b>). Each of Fitch Ratings and Moody's is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (<a href="http://www.esma.europa.eu/page/List-registered-and-certified-CRAs">www.esma.europa.eu/page/List-registered-and-certified-CRAs</a>) in accordance with the CRA Regulation.</p>

## II. THE PROGRAMME

<b>Description:</b>	<p>Euro Medium Term Note Programme for the continuous offer of <i>obligations de financement de l'habitat</i> within the meaning of article L. 513-30 I of the French Monetary and Financial Code (see the section entitled "Summary of the legislation and regulations relating to <i>sociétés de financement de l'habitat</i>").</p> <p>Up to €25,000,000,000 (or the equivalent in other currencies as at the date of issue) aggregate nominal amount of Notes outstanding at any one time.</p>
<b>Series:</b>	The Notes issued on any given issue date will constitute a Series.
<b>Tranches:</b>	The Notes may be issued in Tranches on the same or different issue dates.

The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder and supplemented, where necessary, with supplemental terms and conditions which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the Final Terms of such Tranche.

- Method of Issue:** The Notes may be issued on a syndicated or non-syndicated basis.
- The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.
- Maturities:** Subject to compliance with all relevant laws, regulations and directives, the Notes may have any maturity as specified in the relevant Final Terms (the *Maturity Date*), subject to such minimum maturity as may be required by the applicable legal and/or regulatory requirements.
- An extended maturity date (the *Extended Maturity Date*) may be specified in the relevant Final Terms of a Series of Notes in accordance with the applicable Conditions.
- Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. dollars, Japanese yen, Swiss francs and in any other currency specified in the Final Terms.
- Denomination(s):** Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms, save that each French Law Note which are admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of €100,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time in relation to the relevant Specified Currency.
- Notes having a maturity of less than one year, in respect of which the issue proceeds are to be accepted in the United Kingdom, will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000, unless they are issued to a limited class of professional investors and they have a denomination of at least £100,000 or its equivalent.
- Dematerialised Notes shall be issued in one denomination only.
- Status of Notes and Privilège:** The principal and interest of the Notes (and where applicable, any Receipts and Coupons) will constitute direct, unconditional, unsubordinated and privileged obligations of the Issuer, and the Notes will rank, *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* created by article L.

513-11 of the French Monetary and Financial Code (all as described in the section entitled "Terms and Conditions of the Notes – Status").

The Notes are issued in accordance with article L. 513-30 of the French Monetary and Financial Code. The Notes benefit from the *Privilège* defined in article L. 513-11 of the French Monetary and Financial Code. For further description, see the sections entitled "Terms and Conditions of the Notes – *Privilège*" and "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*".

<b>Negative Pledge:</b>	None.
<b>Events of Default:</b>	None.
<b>Redemption Amount:</b>	Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the basis for calculating the redemption amounts payable.
<b>Optional Redemption:</b>	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and, if so, the terms applicable to such redemption.
<b>Redemption by Instalments:</b>	The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
<b>Interest Periods and Interest Rates:</b>	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
<b>Fixed Rate Notes:</b>	Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Final Terms.
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"><li>• on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the June 2013 FBF Master Agreement, as published by the <i>Fédération bancaire française</i>; or</li><li>• on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or</li><li>• on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR, EONIA or LIBOR);</li></ul> <p>in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a</p>

minimum rate of interest or both.

**Zero Coupon Notes:** Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

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

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

**Form of Notes:** (i) French Law Notes

French Law Notes may be issued either in dematerialised form or in materialised form.

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

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

(ii) German Law Notes

German Law Notes (*Namensschuldverschreibungen*) will be issued in materialised registered form. They will not be admitted to trading nor listed on any market or stock exchange. They will not be offered to the public.

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

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

**Initial Delivery of Materialised Notes:** On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system, or may be delivered outside any clearing system provided that the method of

such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).

**Issue Price:**

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

**Listing and Admission to Trading:**

Application may be made for the French Law Notes to be listed and admitted to trading on Euronext Paris. Application may be made for the Notes to be listed and admitted to trading on any other Regulated Market in accordance with the Prospectus Directive, or on an alternative stock exchange or market, as specified in the relevant Final Terms. A Series of Notes may be unlisted.

The German Law Notes will not be admitted to trading or listed on any Regulated Market(s) or stock exchange(s)

**Rating:**

Notes issued under the Programme are expected to be rated AAA by Fitch Ratings and Aaa by Moody's. The ratings to be assigned to the Notes by the Rating Agencies will only reflect the views of the Rating Agencies.

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

As of the date of this Base Prospectus, each of Fitch Ratings and Moody's is established in the European Union and registered under the CRA Regulation. Each of Fitch Ratings and Moody's is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) in accordance with the CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning Rating Agency without notice.

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

**Selling Restrictions:**

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

The Notes have not been and will not be registered under the Securities Act, as amended, or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor regulation issued under U.S. Internal Revenue Code of 1986, as amended (the *Code*) section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B) (the *D Rules*) unless (i) the relevant Final Terms states that such Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) or any successor regulation issued under Code section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B) (the *C Rules*) or (ii) such Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which such Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (*TEFRA*), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

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

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

**Taxation:**

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

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

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

### III. GENERAL INFORMATION

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

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

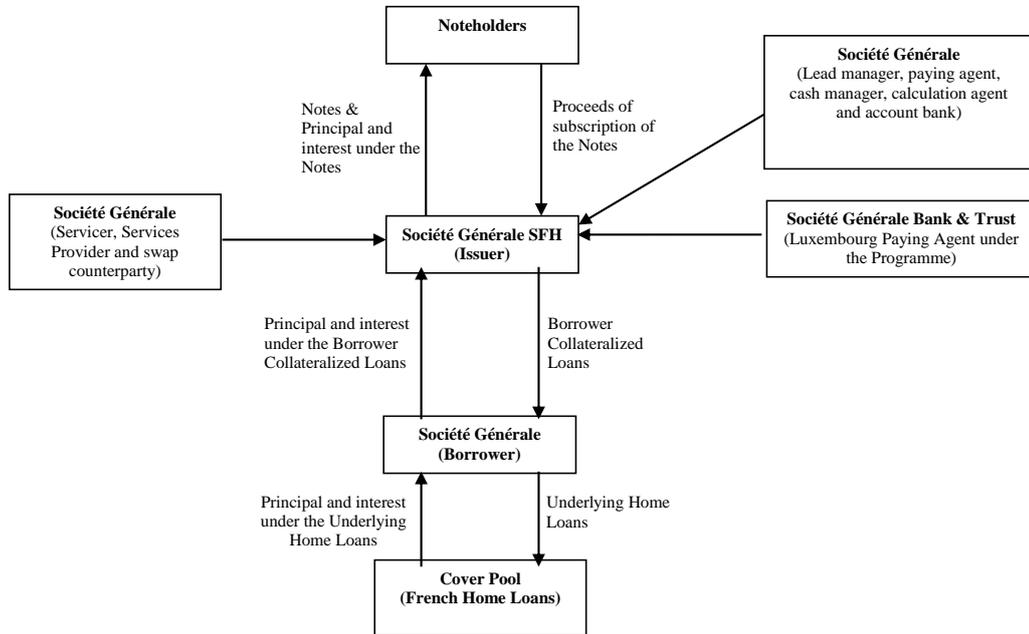
For so long as any Notes may be issued pursuant to this Base Prospectus, copies of such documents will also, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified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

**Governing Law:**

French law.

The Issuer may from time to time issue Notes governed by, and construed in accordance with, German law (except for the *Privilège*, which will be governed by French law). The French Law Notes and German Law Notes will benefit from the same security and rights. The terms and conditions of the German Law Notes are contained in the paying and registration agency agreement (the *Paying and Registration Agency Agreement*)

## 5. STRUCTURE DIAGRAM



**6. PERSON RESPONSIBLE FOR THE BASE PROSPECTUS**

**In the name of the Issuer**

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

Paris, 13 May 2014

SOCIÉTÉ GÉNÉRALE SFH  
17, cours Valmy  
92800 PUTEAUX  
France

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

7. **STATUTORY AUDITORS OF THE ISSUER**

**Deloitte & Associés**  
185, avenue Charles de Gaulle  
92524 Neuilly-sur-Seine cedex  
France

**Ernst & Young et Autres**  
Tour First  
1/2, Place des Saisons  
92400 Courbevoie - Paris La Défense 1  
France

Appointment date: 10 December 2010  
Appointment termination date:  
31 December 2015

Appointment date: 27 April 2009  
Appointment termination date:  
31 December 2014

## **8. RISK FACTORS**

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

*This section applies to the Notes. However, this Base Prospectus does not describe all of the risks of an investment in German Law Notes and investors or potential investors should take their own advice, and consult their own financial, legal, tax and other advisers in relation to the risks attached to, or associated with, the German Law Notes or an investment in any of them including in light of such investors' particular circumstances.*

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

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

### **I. RISK FACTORS RELATING TO THE ISSUER**

#### **Sole liability of the Issuer under the Notes**

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

#### ***Impact of regulatory change***

The Issuer is subject to financial services law, regulations, administrative actions and policies in each jurisdiction in which it carries on business. Changes in supervision and regulation, in particular in France, could materially affect the Issuer's business, the products and services offered or the value of its assets. Although the Issuer works closely with its regulators and continually monitors its environment, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

#### **Reliance of the Issuer on third parties**

The Issuer has entered into agreements with a number of third parties, which have agreed to perform services for the Issuer (in particular for the monitoring and the servicing of the eligible assets transferred as Collateral Security, for the hedging of its obligations under the Notes and for the provision of liquidity upon occurrence of certain rating trigger events - see

the section entitled "Relationship between Société Générale SFH and Société Générale"). The ability of the Issuer to make payments under the Notes may be affected by the due performance of the other third parties involved in the Programme in relation to their payment and other obligations thereunder, including the performance by the Services Provider, the Calculation Agent, the Fiscal Agent, the Paying Agent or the Principal Paying Agent of their respective obligations.

### **Bank counterparties risk**

For the Issuer, bank counterparty risk is that of counterparties (i) in relation to hedging operations in respect of which it has entered into ISDA or FBF (*Fédération bancaire française*) master agreements, and (ii) in relation to the holding of the bank accounts of the Issuer.

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

### **Conflicts of interests in respect of Société Générale**

With respect to the Notes, conflicts of interest may arise as a result of various factors involving in particular Société Générale, its affiliates and the other parties named herein. For example, such potential conflicts may arise because Société Générale acts in several capacities under the operating of the Issuer and the Programme, as Fiscal Agent, Calculation Agent and Dealer (see also the section entitled "Relationship between Société Générale SFH and Société Générale").

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

Also during the course of their business activities, the parties to the Programme and/or any of their respective affiliates may operate, service, acquire or sell properties, or finance loans secured by properties, which are in the same markets as the underlying home loans.

### **EU Resolution and Recovery Directive**

The European Commission has published proposals for a crisis management directive which is intended to enable a range of actions to be taken by relevant regulatory authorities in relation to credit institutions and investment firms which are considered to be at risk of failing. The full scope of the directive and its impact on the Issuer is currently unclear but the implementation of the directive or the taking of any action under it could materially affect the value of any Notes.

On 18 December 2013, the Council of the European Union published a near-final draft of the legislative proposal for a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the **RRD**) initially published by the European Commission on 6 June 2012. On 15 April 2014 the European

Parliament adopted at first reading a legislative resolution on this proposal which must then be reviewed by the commission. The stated aim of the draft RRD is to provide resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' contributions to bank bail-outs and/or exposure to losses. The powers provided to authorities in the draft RRD are divided into three categories: (i) preparatory steps and plans to minimise the risks of potential problems (preparation and prevention); (ii) in the event of incipient problems, powers to arrest a firm's deteriorating situation at an early stage so as to avoid insolvency (early intervention); and (iii) if insolvency of a firm presents a concern as regards the general public interest, a clear means to reorganise or wind down the firm in an orderly fashion while preserving its critical functions and limiting to the maximum extent any exposure of taxpayers to losses.

The draft RRD currently contains four resolution tools and powers:

- *sale of business*: enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply;
- *bridge institution*: enables resolution authorities to transfer all or part of the business of the firm to a "bridge bank" (a public controlled entity);
- *asset separation*: enables resolution authorities to transfer impaired or problem assets to an asset management vehicle to allow them to be managed and worked out over time; and
- *bail-in*: gives resolution authorities the power to write-down the claims of unsecured creditors of a failing institution and to convert debt claims to equity (subject to certain parameters as to which liabilities would be eligible for the bail-in tool). Potential investors in the Notes should consider the risk that a holder may lose all or a part of its investment, including the principal and any interests, if such or any similar statutory loss absorption measures are used.

The draft RRD currently contemplates that it will be implemented in Member States with effect from 1 January 2015, except for the bail in tool, which is contemplated to be implemented by 1 January 2016.

The powers currently set out in the draft RRD would impact how credit institutions and investment firms (those which are required to hold initial capital of €730,000 by the fourth Capital Requirements Directive (CRD)) are managed as well as, in certain circumstances, the rights of creditors. However, the proposed directive is not in final form and changes may be made to it in the course of the legislative process. In addition, certain proposals contained in the draft RRD are already included in the French Monetary and Financial Code and it is currently unclear to what extent, the provisions of the French Monetary and Financial Code will be amended once the draft RRD is implemented. For Member States participating in the Banking Union, the Single Resolution Mechanism fully harmonises the range of available tools but Member States are authorised to introduce additional tools at national level to deal with crises, as long as they are compatible with the resolution objectives and principles set out in the draft RRD.

In addition, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) (as modified by the *ordonnance* dated 20 February 2014 (*Ordonnance portant diverses dispositions*

*d'adaptation de la législation au droit de l'Union européenne en matière financière*)) that anticipates the implementation of the RRD, has entered into force in France.

It is not yet possible to assess the full impact of the draft RRD on the Issuer and there can be no assurance that, once it is implemented, the fact of its implementation or the taking of any actions currently contemplated in it would not adversely affect the rights of holders of Notes, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

## **II. RISK FACTORS RELATING TO THE ASSETS OF THE ISSUER**

### **A. Credit risk on the assets of the Issuer generally**

The Issuer's sole business activity is to grant or refinance home loans (*prêts à l'habitat*) and to hold securities under the terms and conditions set out in the French Monetary and Financial Code.

The ability of the Issuer to make payments under the Notes depends of its assets which consist (i) initially in the advances made available to the Borrower under the Facility Agreement and (ii) following the occurrence of an event of default of the Borrower under the Facility Agreement, in the home loans transferred (*remis en pleine propriété*) as Collateral Security under the Collateral Security Agreement.

Therefore, the Issuer is exposed directly or indirectly to the credit risk of such home loans.

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

Moreover such risk on assets is mitigated by the fact that the assets of the Issuer are to be selected so as to comply with the legal eligibility criteria and other rules contained in the legal framework relating to *sociétés de financement de l'habitat* described hereinafter.

#### ***Eligibility criteria***

The home loans must comply with the legal eligibility criteria provided for in article L. 513-29 of the French Monetary and Financial Code. For further descriptions, see the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*".

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

In addition, according to article L. 513-7, R. 515-7 and R. 515-16 of the French Monetary and Financial Code, the Issuer may also hold securities, instruments and deposits which are sufficiently secure and liquid, as replacement assets (*valeurs de remplacement*) which comprise exposures on credit institutions or investment firms benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating

agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to article L. 511-44 of the French Monetary and Financial Code or guaranteed by credit institutions, or investment firms benefiting of the same level of credit assessment (*échelon de qualité de crédit*), or, if such securities, instruments or deposits have a maturity of less than 100 days, exposures on or guaranteed by credit institutions or investment companies of a Member State of the European Union or the European Economic Area benefiting from the second highest level of credit quality (*second meilleur échelon de qualité de crédit*) as well as debt securities issued or fully guaranteed by public sector entities as referred to in paragraphs 1 to 5 of article L. 513-4 of the French Monetary and Financial Code.

Furthermore, it should be noted that, pursuant to the Management and Servicing Agreement (see the section entitled "Relationship between Société Générale SFH and Société Générale"), the equity and the cash of the Issuer must be invested for amounts and in instruments which comply with the Rating Agencies' public methodologies and criteria which are commensurate to the then current ratings of the Notes, it being specified that, at the date of this Base Prospectus, the eligible investments are those which comply with:

- (i) the criteria set forth in the document entitled "*The temporary use of cash in structured finance transactions: eligible investments and bank guidelines*", as published by Moody's on 18 March 2013; and
- (ii) the criteria set forth in the document entitled "*Counterparty criteria for structured finance and Covered Bonds*", as published by Fitch Ratings on 13 May 2013.

The total amount of such replacement assets (*valeurs de remplacement*) shall not exceed fifteen per cent. (15%) of the nominal amount of the *obligations de financement de l'habitat* and other resources benefiting from the *Privilège* as described in the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat – Privilège* and non-privileged debts".

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

In addition, according to article L. 513-9 of the French Monetary and Financial Code and article 13 bis of the CRBF Regulation, the Issuer must publish every quarter a report containing the same information relating to the quality of its assets. Such report is available for viewing on the website of the Issuer ([www.investisseur.socgen.com](http://www.investisseur.socgen.com)).

#### ***Financing limitation by privileged debts***

Even if they comply with all the legal eligibility criteria set out by the French legal framework applicable to *sociétés de financement de l'habitat*, home loans may only be financed by the issuance of *obligations de financement de l'habitat* (such as the Notes) and other debt benefiting from the *Privilège* up to a maximum limit determined by the law. See "Summary

of the legislation and regulations relating to *sociétés de financement de l'habitat* – Financing portion (*quotité de financement*)".

### **Cover ratio between assets and privileged debts**

According to articles L. 513-12 and R. 515-7-2 of the French Monetary and Financial Code, *sociétés de financement de l'habitat* must at all times maintain a cover ratio of at least 102 per cent. of the total amount of their liabilities which benefit from the *Privilège* by the total amount of their assets, including the replacement assets (*valeurs de remplacement*). For the calculation of this cover ratio, when the assets comprise receivables secured by collateral assets pursuant to articles L.211-36 to L.211-40, L.313-23 to L.313-35 and L.313-42 to L.313-49 of the French Monetary and Financial Code, which are not replacement assets (*valeurs de remplacement*), the *sociétés de financement de l'habitat* must take into account the assets received as collateral rather than the secured receivables.

Calculation of this cover ratio is set out in the CRBF Regulation pursuant to which the ratio's denominator (article 8 of the CRBF Regulation) is composed of *obligations de financement de l'habitat* and other resources benefiting from the *Privilège*, and the ratio's numerator (article 9 of the CRBF Regulation) is composed of all the assets weighted to reflect their category.

Pursuant to article R. 515-7-2 of the French Monetary and Financial Code, the Issuer must be in constant compliance with the conditions of the above cover ratio. The Specific Controller (as described in the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*") has access to information that allows confirmation of each issue's compliance with the cover ratio. This cover ratio is published twice a year and checked on a quarterly basis and for each issue whose amount is greater than Euro 500 million, by the Specific Controller (for more details on the cover ratio, see section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat* - Cover ratio").

## **III. RISK FACTORS RELATING TO THE COLLATERAL SECURITY**

### **No interpretation by French courts of rules applicable to Collateral Security**

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

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

### **Impact of the hardening period on the Collateral Security**

Article L. 211-40 of the French Monetary and Financial Code states that the provisions of book VI of the French Commercial Code (pertaining to insolvency proceedings as a matter of French law) shall not impede ("*ne font pas obstacle*") the application of articles L. 211-36 *et seq.* of the French Monetary and Financial Code. This provision should lead to the conclusion that the rules pertaining to the nullity of acts concluded during the hardening period (*période suspecte*) (as provided for in articles L. 632-1 and L. 632-2 of the French Commercial Code) will not apply in respect of guarantees governed by article L. 211-38-I of the French Monetary and Financial Code.

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

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

However, it cannot be excluded that article L. 211-40 of the French Monetary and Financial Code does not intend to overrule article L. 632-2 of the French Commercial Code, which provides for a potential nullity of acts which are onerous (*actes à titre onéreux*) if the counterparty of the debtor was aware, at the time of conclusion of such acts, that the debtor was unable to pay its debts due with its available funds (*en état de cessation des paiements*). Should article L. 632-2 of the French Commercial Code be deemed applicable, nullity of the Collateral Security could be sought, if the Issuer was aware, at the time where the Collateral Security was granted (or the subject of an addition or a substitution), that Société Générale was unable to pay its debt due with its available funds (*en état de cessation des paiements*); it being specified that, within the French legal framework applicable to *sociétés de financement de l'habitat*, article L.513-31 of the French Monetary and Financial Code provides that the provisions of article L.632-2 of the French Commercial Code are not applicable to contracts concluded by a *société de financement de l'habitat*, or to legal transactions made by or in favour of *société de financement de l'habitat*, as far as such contracts or transactions are directly related to the transactions referred to in article L.513-28 to L.513-30 of the French Monetary and Financial Code.

### **Disproportionate guarantee**

Pursuant to article L.650-1 of the French Commercial Code, a creditor may be held liable towards a bankrupt debtor if the credit granted by it to such debtor entailed a damage and the security interest securing such credit is disproportionate (*disproportionné*) compared to that credit. In such case, such security interest may be void or reduced by the judge. However, there is only few French case law decisions interpreting and implementing the provisions of article L.650-1 of the French Commercial Code and accordingly, there is an uncertainty as to whether the provisions of article L.650-1 of the French Commercial Code would apply to the Collateral Security. Moreover, article L.211-40 of the French Monetary and Financial Code expressly provides that the provisions of book VI of the French Commercial Code shall not impede (*ne font pas obstacle*) the application of articles L.211-36 *et seq.*, of the French Monetary and Financial Code.

### **No prior notification to debtors under the home loans granted as Collateral Security**

The Collateral Security Agreement will provide that the relevant home loans will be transferred (*remis en pleine propriété*) as Collateral Security pursuant to the provisions of article L.211-38 of the French Monetary and Financial Code, without notification or information of the debtors under such home loans. Such debtors will only be notified in case of enforcement of the Collateral Security by the Issuer. As long as no such notification has taken place, any payments made by the debtors under the relevant home loans will continue to be validly made by such debtors to Société Générale.

Each debtor may further raise defences (which may include, as applicable, any set-off right) against the Issuer arising from such debtor's relationship with Société Générale to the extent that such defences (i) are existing prior to the notification of the transfer of the relevant home loan or (ii) arise out of mutual claims (*compensation de créances connexes*) between the debtor and Société Générale which are closely connected with that home loan (irrespective of whether such notification has been made before or after such claims have arisen).

There is no guarantee that the notification to the debtors will be made at the times required and there can be no guarantee or assurance as to the ability of the Issuer to obtain effective direct payment from the debtors in a sufficient timely manner, which may affect payments under the Notes. In this situation, a shortfall in distributions of interest to Noteholders may result.

Until notification to the debtors has been made and provided that, at such time, an insolvency proceeding has been opened against Société Générale, French insolvency law will prevent the Issuer from recovering from Société Générale any collections received by it under the relevant home loans which are commingled with other funds of Société Générale.

However, these risks are mitigated by a cash collateral (*gage-espèces*) to be funded by Société Générale if its credit ratings are downgraded below certain minimum rating levels (a "**Collection Loss Trigger Event**") for an amount equal to the aggregate amount of collections (interests and principal) received by Société Générale under the home loans granted as Collateral Security during the two and half (2,5) calendar months preceding the occurrence of a Collection Loss Trigger Event (the "**Collection Loss Reserve**") (see section "Relationship between Société Générale SFH and Société Générale" for further details).

#### **Maintenance of value of the Collateral Security prior to enforcement**

Under the Collateral Security Agreement, for so long as no event of default under the Facility Agreement has occurred, Société Générale will be required to maintain at all times a cover ratio between the home loans granted as Collateral Security and the outstanding amount the loans made available under the Facility Agreement. As of the date of this Base Prospectus, in accordance with the operational strategy of Société Générale SFH the outstanding amount of the loans made available under the Facility Agreement is equal to the outstanding amount of the Notes issued (the *Asset Cover Test*).

Failure to maintain compliance with such Asset Cover Test may result in the Issuer having insufficient funds to meet its obligations under the Notes.

#### **Home loans debtors' ability to pay under the home loans**

The home loans debtors are individuals having borrowed under the home loans in order to finance the acquisition of a real estate property.

If following enforcement of the Collateral Security, the Issuer does not receive the full amount due from the home loan debtors in respect of such home loans, this may affect the ability of the Issuer to make payments under the Notes.

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

None of the borrower under the Facility Agreement, the Issuer or any other party to the Programme does guarantee or warrant full and timely payment by the home loan debtors of any sums payable under such home loans.

The ability of the home loan debtors to make timely payment of amounts due under such home loans will mainly depend on their assets and its liabilities as well as their ability to generate sufficient income to make payments under the relevant home loans. Their ability to generate income may be adversely affected by a large number of factors, some of which (i) relate specifically to the home loan debtor itself (including but not limited to their age and health, employment situation, family situation, creditworthiness or expropriation) or (ii) are more general in nature (such as changes in governmental regulations, fiscal policy, etc.).

Furthermore, home loan debtors may benefit from the favourable legal and statutory provisions of the French Consumer Code, pursuant to which any individual may, under certain circumstances, and subject to certain conditions, request and obtain from the competent court a grace period, a reduction of the amount of all and any of its indebtedness and any interest relating thereto and, as the case may be, a full or partial extinguishment of its indebtedness against a credit institution (*établissement de crédit*).

### **Enforcement of home loan guarantees**

If following enforcement of the Collateral Security in favour of the Issuer and then notification of the home loan debtors and then enforcement of its rights by the Issuer under the relevant home loan guarantee against the home loan guarantor, the later does not pay in whole or in part any amounts due under the relevant home loan guarantee for whatever reason or does not pay such amounts in a timely manner, this may affect the ability of the Issuer to make payments under the Notes.

## **IV. RISK FACTORS RELATING TO THE OPERATIONS OF THE ISSUER**

### ***Interest and currency risks***

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

The Issuer shall use micro and macro-hedging instruments to hedge any interest rate and currency risks between its assets and liabilities. For this purpose, the Issuer shall enter into interest and/or currency hedging agreements with hedging counterparties with minimum ratings complying with the rating agencies' public methodologies and which are commensurate to the then current ratings of the Notes.

As of the date of this Base Prospectus, the Issuer has entered into the Issuer Hedging Agreement (as described in the section entitled "Relationship between Société Générale SFH and Société Générale") and the Borrower Hedging Agreement which will constitute a back-to-back agreement with any Collateral Security Transaction entered into under the Issuer Hedging Agreement (as further described in the section entitled "Relationship between Société Générale SFH and Société Générale").

The replacement assets (*valeurs de remplacement*) are managed so as not to incur any interest rate or currency risks.

### ***Liquidity risk***

In order to finance any temporary liquidity needs, the Issuer benefits from the ALM management tools and instruments provided to it by the laws and regulations applicable to *sociétés de financement de l'habitat* in order to fund temporary liquidity needs.

According to article L. 513-30 of the French Monetary and Financial Code, the Issuer may at any time sell or liquidate certain assets or raise new short-term or medium-term funds in order to comply with its payment obligations under the Notes and raise other resources, whether or not they benefit from the *Privilège* (depending on whether their agreement or document designed to inform the public (within the meaning of article L. 412-1 of the French Monetary and Financial Code) or any equivalent document required for the admission to trading on foreign regulated markets, mentions the *Privilège* or not).

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

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

- (i) with replacement assets (*valeurs de remplacement*) complying with the provisions of articles R.515-7 and R.515-16 of the French Monetary and Financial Code;
- (ii) with assets which are eligible for the credit operations of the *Banque de France* in accordance with the procedures and conditions set forth by the latter in the context of its monetary policy and intraday credit operations; and
- (iii) by refinancing agreements entered into with credit institutions with minimum ratings complying with the provisions of article R.515-7-1 of the French Monetary and Financial Code or guaranteed by other legal persons complying with such ratings.

In any case, if the Issuer is not able to cover its liquidity needs with any of the tools and instruments described above, the Issuer would be allowed to subscribe for its own *obligations de financement de l'habitat*, within the limit of ten (10) per cent. of the total outstanding amount (*encours total*) of the resources benefiting from the *Privilège* as at the date of their subscription, for the sole purpose of pledging them (*affecter en garantie*) as collateral security in order to secure the credit transactions (*opérations de crédit*) of the *Banque de France* in accordance with the provisions of article L.513-26 of the French Monetary and Financial Code (See "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*").

In addition, the Issuer benefits from cash collateral (*gage-espèces*) to be funded by Société Générale, in its capacity as borrower under the Facility Agreement, pursuant to and in accordance with the terms of the Collateral Security Agreement (see the section entitled "Relationship between Société Générale SFH and Société Générale").

### *Operating risks*

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

## **V. RISK FACTORS RELATING TO THE NOTES**

### **A. General risks related to the Notes**

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

#### *Independent review and advice*

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

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

#### *Assessment of investment suitability*

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

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus and the relevant Final Terms;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; 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 and its ability to bear the applicable risks.

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

### ***Potential Conflicts of Interest***

The Issuer may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interest of the Noteholders.

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

### ***Legality of Purchase***

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

### ***Modification***

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

### ***EU Savings Directive***

Under EC 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 another Member State details of payments of interest (or similar income) paid by a person within their jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with other countries), Luxembourg and Austria are instead required to operate a withholding system in relation to such payments unless the relevant beneficial owner of such payment elects otherwise and authorises the paying agent to disclose the above information. A number of non-EU countries and territories including Switzerland

adopted similar measures (a withholding system in the case of Switzerland). The rate of this withholding tax is currently 35%. The Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Savings Directive.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive, published on 15 April 2014 in the Official Journal of the European Union, amending and broadening the scope of the Savings Directive (the **Amending Directive**). In particular, the changes expand the range of payments covered by the Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017) (see "**Taxation – EU Savings Directive**").

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

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

Prospective investors should inform themselves of, and where appropriate take advice from tax advisers on, the impact of the Savings Directive and Amending Directive prior to taking an investment decision in the Notes.

### ***Change of law***

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

### ***French Insolvency Law***

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

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

The Assembly will deliberate on the proposed safeguard plan (*projet de plan de sauvegarde*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (charges) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give a right to share capital.

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

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

### ***No legal and tax advice***

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

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

### ***Taxation***

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

### ***Withholding Taxes - No gross-up obligation***

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

### ***The proposed financial transactions tax***

The European Commission has published a proposal for a Directive for a common financial transaction tax (*FTT*) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the *Participating Member States*).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

The FTT proposal remains subject to negotiation between the Participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. 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.

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

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

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

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

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

The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general. Basel III was implemented under EU legislation through

the “CRD IV package” which consists of the Capital Requirements Directive n° 2013/36/EU dated 26 June 2013 and the Capital Requirements Regulation n°575/2013 dated 26 June 2013. A number of new requirements arising from the CRD IV package was implemented under French law through Law no. 2013-672 dated 26 July 2013 relating to the separation and regulation of banking activities. The implementation of the CRD IV package at the legislative level was finalized under French law by Ordinance n°2014-158 dated 20 February 2014.

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

### ***U.S. Foreign Account Tax Compliance Act (FATCA) Withholding risk***

While the Notes are held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA (as defined in “Taxation – Foreign Account Tax Compliance Act”) will affect the amount of any payment received by the clearing systems (see “Taxation - Foreign Account Tax Compliance Act” below). 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 paid the common depository clearing systems and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

### ***Forecasts and estimates***

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

### ***Ratings of the Notes***

The ratings assigned to the Notes by the Rating Agencies are based, among other things, on the credit quality of the assets refinanced and the other relevant structural and credit enhancement features provided for under the Programme, including, among other things, the short-term and/or long-term Issuer Default Rating (with respect to Fitch Ratings) or the short-

term and/or long-term unsecured, unguaranteed and unsubordinated debt ratings (with respect to Moody's) of the parties involved in the Programme, and reflect only the views of the Rating Agencies. By assigning a rating to the Notes, the Rating Agencies mainly address their probability of default (PD) but also incorporate an element of recovery should default happen. The rating excludes event risk such as a change in legislation governing a jurisdiction's covered bond framework, or the merger of an issuer with another entity. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon both the value of the Notes or their marketability in secondary market transactions.

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

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

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

### ***Notes subject to optional redemption by the Issuer***

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

### ***Early Redemption and reinvestment risks***

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

### ***Fixed Rate Notes***

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

### ***Floating Rate Notes***

The interest rate of Notes which bear interest at a floating rate is comprised of (i) a reference rate, and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g.,

every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of Floating Rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

#### ***Fixed to Floating Rate Notes***

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

#### ***Notes issued at a substantial discount or premium***

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

#### ***Zero Coupon Notes***

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

#### ***Notes having an Extended Maturity Date may be redeemed after their initial maturity date***

The Maturity Date of the Notes having an Extended Maturity Date (if so provided in the relevant Final Terms) may be extended automatically to the Extended Maturity Date (as specified in the applicable Final Terms).

The payment of the Final Redemption Amount may be automatically deferred and shall become due and payable on the Extended Maturity Date if so specified in the relevant Final Terms, provided that the Final Redemption Amount unpaid on the initially scheduled Maturity Date may be paid by the Issuer on any Interest Payment Date occurring thereafter up to and including the relevant Extended Maturity Date.

### **C. Risks related to the market generally**

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

#### ***Market value of the Notes***

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the volatility of the market interest and yield rates and the time remaining to the maturity date.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the French Law Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

### ***The secondary market generally***

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

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Base Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to certain of the Notes which may be issued hereunder. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the Notes. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

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

### ***Exchange rate risks and exchange controls***

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

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

***Legal investment considerations may restrict certain investments***

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

## 9. SUMMARY OF THE LEGISLATION AND REGULATIONS RELATING TO SOCIÉTÉS DE FINANCEMENT DE L'HABITAT

### Legal framework

On the date of this Base Prospectus, the legal and regulatory regime applicable to *sociétés de financement de l'habitat* results from the following provisions:

- (a) articles L. 513-3, L. 513-5, L. 513-7 to L. 513-26 and L. 513-28 *et seq.* of the French Monetary and Financial Code (as amended from time to time);
- (b) article 74 of law n°2010-1249 of 22 October 2010 on banking and financial regulation;
- (c) articles R. 515-2, R. 515-4, R. 515-5, R. 515-7 to R. 515-11 and R. 515-12 to R. 515-17 of the French Monetary and Financial Code (as amended from time to time);
- (d) the CRBF Regulation (as amended from time to time);
- (e) the various *Autorité de contrôle prudentiel et de résolution*'s instructions applicable to *sociétés de financement de l'habitat*.

### Entities entitled to issue *obligations de financement de l'habitat*

*Sociétés de financement de l'habitat* are specialised credit institutions (*établissements de crédit spécialisés*) and authorised to act as *sociétés de financement de l'habitat* by the *Autorité de contrôle prudentiel et de résolution*.

The exclusive legal purpose of the *sociétés de financement de l'habitat* is to grant or finance home loans and hold securities and instruments under the conditions set out in the French Monetary and Financial Code.

### Eligible assets

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

- (a) loans granted by it to any credit institution and guaranteed by the transfer (*remise*), the assignment (*cession*) or the pledge (*nantissement*) of home loans receivables (as defined in paragraph (d) below), pursuant to and in accordance with the provisions of articles L. 211-36 to L. 211-40 or articles L. 313-23 to L. 313-35 of the French Monetary and Financial Code, regardless of their professional nature;
- (b) units or notes issued by French securitisation vehicles (*organismes de titrisation*) or any other similar entities governed by the laws of a European Union Member State or an European Economic Area Member State, the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, if the following provisions of article L. 513-5 and R. 515-4 of the French Monetary and Financial Code are complied with (the **Asset-Backed Securities**):
  - (i) the similar foreign entities mentioned above must be governed by the law of a European Union Member State or an European Economic Area Member State

if its assets are composed in whole or part of loans or exposures mentioned in article L. 513-29-II of the French Monetary and Financial Code; and

- (ii) the assets of such securitisation vehicles consist of, except for sums temporarily available and pending allocation, guarantees, security interest or other privileges benefiting to them, as well as securities kept by these securitisation vehicles or similar entities as reserve or guarantee in accordance with the applicable legislation, at least 90% of receivables of the same kind as those complying with the criteria set out in article L.513-29-II of the French Monetary and Financial Code or other receivables benefiting from guarantees that are equivalent to those of the loans and exposures referred to above;
  - (iii) such units or notes are not specific units or specific notes bearing the risk of default of the debtors; and
  - (iv) such units or notes benefit from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to article L.511-44 of the French Monetary and Financial Code; and
  - (v) within a limit of 10 per cent. of the nominal amount of the *obligations de financement de l'habitat* and other liabilities benefiting from the *Privilège* of the *société de financement de l'habitat*. Until 31 December 2013, this limit of 10% is not applicable provided that the two following conditions are met: (i) loans composing at least 90% of the assets of the securitisation vehicle are transferred by an entity belonging to the same group or affiliated to the same central body as the *société de financement de l'habitat* and (ii) the subordinated units issued by the securitisation vehicle are kept by such entity.
- (c) under the conditions set out in articles L. 513-29 of the French Monetary and Financial Code, promissory notes (*billets à ordre*) governed by articles L. 313-43 to L. 313-48 of the French Monetary and Financial Code
- (d) home loans which are defined as loans that:
- (i) aim at financing, in whole or in part, residential real property located in France or another European Union Member State or an European Economic Area Member State or a State benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to article L. 511-44 of the French Monetary and Financial Code; and
  - (ii) are guaranteed by a first-ranking mortgage (*hypothèque de premier rang*) or a charge over real property which provides a guarantee at least equivalent (*une sûreté immobilière conférant une garantie au moins équivalente*), or a guarantee (*cautionnement*) granted by a credit institution, a financing company (*société de financement*) or an insurance company.

In accordance with article R. 515-14 of the French Monetary and Financial Code, any *société de financement de l'habitat* must keep an up-to-date list (*état*) of the loans it has granted or acquired. Such list must also mention the nature and the value of the guarantees relating to these loans, together with the nature and the amount of the privileged debts.

In addition, according to articles L. 513-7, R. 515-7 and R. 515-16 of the French Monetary and Financial Code, a *société de financement de l'habitat* may also hold securities, instruments and deposits which are sufficiently secure and liquid, as replacement assets (*valeurs de remplacement*) defined as exposures on credit institutions or investment firms benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to article L. 511-44 of the French Monetary and Financial Code or guaranteed by credit institutions or investment firms benefiting of the same level of credit assessment (*échelon de qualité de crédit*), as well as debt securities issued or fully guaranteed by public sector entities as referred to in paragraphs 1 to 5 of article L. 513-4 of the French Monetary and Financial Code.

Finally, a *société de financement de l'habitat* may acquire and own any immovable or movable property which is necessary for the accomplishment of its corporate purpose or which derives from recovery of the receivables it holds.

A *société de financement de l'habitat* is not entitled to hold any equity interest (*participations*) in any entity in accordance with article L. 513-29, IV of the French Monetary and Financial Code.

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

### ***Privilège and liabilities***

#### ***Privilège***

The *obligations de financement de l'habitat* issued by *sociétés de financement de l'habitat*, together with the other resources raised pursuant to an agreement or a document designed to inform the public (within the meaning of article L. 412-1 of the French Monetary and Financial Code) or any equivalent document required for the admission to trading on foreign regulated markets which mentions the *Privilège*, and the liabilities resulting from derivative transactions relating to the hedging of *obligations de financement de l'habitat* and other privileged debts in accordance with article L.513-10 of the French Monetary and Financial Code benefit from the *Privilège* set out under article L.513-11 of the French Monetary and Financial Code.

Pursuant to article L.513-11 of the French Monetary and Financial Code, notwithstanding any legal provisions to the contrary and in particular the provisions included in the French Commercial Code relating to the prevention and conciliation of business difficulties and to the judicial administration and liquidation of companies:

- (a) the sums deriving from the loans, or assimilated receivables, exposures and securities eligible to the assets of a *société de financement de l'habitat* in the meaning of articles L. 513-28 and L. 513-29 of the French Monetary and Financial Code and from the financial instruments used for hedging as referred to in article L. 513-10 of the French Monetary and Financial Code, after set-off as the case may be, together with the claims in respect of deposits made by the *société de financement de l'habitat* with credit institutions, are allocated in priority to the payment of the *obligations de financement de l'habitat*, to other resources benefiting from the *Privilège* as mentioned in article L.513-30-I of the French Monetary and Financial Code, to derivative transactions used for hedging purpose, under the condition of article L.513-10 of the French Monetary and Financial Code, except those used to hedge non-privileged debts, and to other ancillary

expenses and sums expressly referred to in article L.513-11 of the French Monetary and Financial Code;

- (b) when a *société de financement de l'habitat* is subject to any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) or to conciliation proceedings with its creditors (*procédure de conciliation*), the amounts due regularly from the operations referred to in article L. 513-30-I of the French Monetary and Financial Code are paid on their contractual due date, and in priority to all other debts, whether or not preferred or secured, including interest resulting from agreements whatever their duration. No other creditor of a *société de financement de l'habitat* may exercise any right over the assets and rights of such *société de financement de l'habitat* until all creditors benefiting from the *Privilège* have been fully paid off; and
- (c) the judicial liquidation of a *société de financement de l'habitat*, will not result in the acceleration of payment of *obligations de financement de l'habitat* and other debts benefiting from the *Privilège*.

### ***Non-privileged debts***

*Sociétés de financement de l'habitat* may also raise other resources which do not benefit from the *Privilège*. Such other resources include:

- (a) loans or resources raised pursuant to an agreement or a document designed to inform the public (within the meaning of article L. 412-1 of the French Monetary and Financial Code) or any equivalent document required for the admission to trading on foreign regulated markets that does not mention the *Privilège*;
- (b) promissory notes (*billets à ordre*) issued pursuant to and in accordance with the provisions of articles L. 313-43 to L. 313-48 of the French Monetary and Financial Code in order to refinance home loans receivables that meet legal criteria of article L. 513-29 of the French Monetary and Financial Code, as an exception to article L. 313-42 of the said code; and
- (c) temporary transfers of its securities as provided for in articles L. 211-22 to L. 211-34 of the French Monetary and Financial Code, pledge of a securities account as defined in article L. 211-20 of the French Monetary and Financial Code and transfer of all or part of its receivables in accordance with articles L. 211-36 to L. 211-40 or in accordance with articles L. 313-23 *et seq.* of the French Monetary and Financial Code, regardless of their professional nature. The receivables and securities so refinanced are not taken into account for the purpose of determining the cover ratio of the resources benefiting from the *Privilège*.

### **Financing portion (*quotité de financement*)**

Pursuant to article R. 515-2 of the French Monetary and Financial Code to which article R. 515-15 of the same code expressly refers, the Issuer may only finance the home loans through issuance of *obligations de financement de l'habitat* or other resources benefiting from the *Privilège* up to the lowest of the following amounts:

- the principal outstanding amount of the home loan;
- the product of (i) the value of the financed real estate by guaranteed home loans or of the charged residential real estate for mortgage home loan and (ii) the applicable

"financing portion" (*quotité de financement*) referred to in article R. 515-2 of the French Monetary and Financial Code (which in respect of certain home loans is 80%).

Pursuant to article R. 515-4 of the French Monetary and Financial Code to which article R. 515-15 of the same code expressly refers, the Issuer may only finance the asset backed securities through issuance of *obligations de financement de l'habitat* or other resources benefiting from the Privilege up to the lowest of the following amounts:

- the outstanding principal amount of such asset backed securities;
- the sum of (i) the capital remaining due under loans composing the assets of such securitisation vehicle and (ii) the liquidities of such securitisation vehicle as defined in article R.214-95 of the French Monetary and Financial Code;
- the product of (i) the value of the financed real estate for guaranteed home loans or of the charged residential real estate for mortgage home loan and (ii) the applicable "financing portion" (*quotité de financement*) referred to in article R. 515-2 of the French Monetary and Financial Code (which in respect of home loans is 80%). This product shall be increased by the liquidities of the securitisation vehicle as defined in article R. 214-95 of the French Monetary and Financial Code (*Code monétaire et financier*).

These amounts are those as of the date of the launch of the securitization vehicle, as of the date of any subsequent reloading or as of the date of the asset backed securities entering in the assets of the Issuer.

### **Cover ratio**

*Sociétés de financement de l'habitat* must at all times maintain a cover ratio between their assets and their liabilities benefiting from the *Privilège*. According to articles L. 513-12 and R. 515-7-2 of the French Monetary and Financial Code, *sociétés de financement de l'habitat* must at all times maintain a cover ratio of at least 102 per cent. of the total amount of their liabilities which benefit from the *Privilège* by the total amount of their assets, including the replacement assets (*valeurs de remplacement*). For the calculation of this cover ratio, when the assets comprise receivables secured by collateral assets pursuant to articles L.211-36 to L.211-40, L.313-23 to L.313-35 and L.313-42 to L.313-49 of the French Monetary and Financial Code, which are not replacement assets (*valeurs de remplacement*), the *sociétés de financement de l'habitat* must take into account the assets received as collateral rather than the secured receivables.

*Sociétés de financement de l'habitat* must appoint a Specific Controller (*contrôleur spécifique*) with the approval of the *Autorité de contrôle prudentiel et de résolution* whose task is to ensure that the cover ratio is complied with at all times. In particular, the Specific Controller must certify that the cover ratio is satisfied in connection with (i) the *société de financement de l'habitat's* quarterly programme of issues benefiting from the *Privilège* and (ii) any specific issue also benefiting from the *Privilège* whose amount is greater than Euro 500 million. The Specific Controller must verify the quality of the assets, the process of yearly revaluation and the quality of the asset liability management. The Specific Controller (as further described in the paragraph entitled "Specific Controller" below) has access to information that allows confirmation of each issue's compliance with the cover ratio. This cover ratio is published twice a year.

## Liquidity coverage

In accordance with article R. 515-7-1 of the French Monetary and Financial Code, a *société de financement de l'habitat* must ensure at any time the funding of its liquidity needs over a period of 180 calendar days, taking into account the provisional fund flows arising from the principal and interest amounts over its assets and the net flows relating to the forward financial instruments (*instruments financiers à terme*) referred to in article L. 513-10 of the French Monetary and Financial Code. The needs in cash are covered with replacement assets (*valeurs de remplacement*) complying with the provisions of articles R. 515-7 and R. 515-16 of the French Monetary and Financial Code, assets which are eligible for the credit operations of the *Banque de France* in accordance with the procedures and conditions set forth by the latter in the context of its monetary policy and intraday credit operations, and by refinancing agreements entered into with credit institutions benefiting from the highest level of short term credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to article L. 511-44 of the French Monetary and Financial Code or guaranteed by other corporates benefiting from the same level of credit assessment (*échelon de qualité de crédit*).

In the case where the assets of the *société de financement de l'habitat* are composed of receivables guaranteed by collateral assets in accordance with articles L. 211-36 to L. 211-40, L. 313-23 to L. 313-35, and L. 313-42 à L. 313-49 of the French Monetary and Financial Code, if these assets are not replacement assets (*valeurs de remplacement*), the liquidity needs are evaluated by considering the assets transferred as collateral security (and not the receivables).

In accordance with, and pursuant to, the provisions of article L. 513-26 of the French Monetary and Financial Code, a *société de financement de l'habitat* may also, by derogation to the provisions of articles 1300 of the *Code civil* (the **French Civil Code**) and L. 228-44 to L. 228-74 of the French Commercial Code, subscribe for its own *obligations de financement de l'habitat*, for the sole purpose of pledging them as collateral security (*affecter en garantie*) in order to secure the credit transactions (*opérations de crédit*) of the *Banque de France* in accordance with the terms and conditions determined by the *Banque de France* for its monetary and intraday credit policy, if the *société de financement de l'habitat* is not able to cover its cash needs with the other means available to it, provided that:

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

In any case, the *obligations de financement de l'habitat* subscribed by the *société de financement de l'habitat* in accordance with, and pursuant to, the provisions of article L.513-26 of the French Monetary and Financial Code, shall be cancelled within an 8-day period

starting from the date on which they cease to be pledged for the benefit of the *Banque de France*.

### **Hedging**

The Issuer may enter into forward financial instruments to hedge its interests and currency risks on the loans and exposures referred to in articles L. 513-28 and L. 513-29 of the French Monetary and Financial Code, on the *obligations de financement de l'habitat* and on other resources whether or not benefiting from the *Privilège*. Any amounts payable pursuant to these forward financial instruments, after the applicable set-off as the case may be, benefit from the *Privilège*, unless such forward financial instruments were not concluded by the Issuer to hedge items of its assets and/or privileged liabilities or the global risk on its assets, liabilities and off-balance sheet items in accordance with article L. 513-10 of the French Monetary and Financial Code.

### **Insolvency derogating regime**

Article L. 513-20 of the French Monetary and Financial Code precludes the extension of any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) in respect of the *société de financement de l'habitat*'s shareholders to the *société de financement de l'habitat*.

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

In addition, pursuant to article L.513-31 of the French Monetary and Financial Code, the provisions of article L.632-2 of the French Commercial Code are not applicable to contracts concluded by a *société de financement de l'habitat*, or to legal transactions made by or in favour of *société de financement de l'habitat* as far as such contracts or transactions are directly related to the transactions referred to in article L. 513-28 to L. 513-30 of the French Monetary and Financial Code.

### **Specific Controller**

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

Pursuant to article L. 513-32 of the French Monetary and Financial Code, the tasks of the Specific Controller are:

- (a) to ensure that the *société de financement de l'habitat* complies with articles L. 513-28 to L. 513-30 of the French Monetary and Financial Code;

- (b) to certify that the cover ratio is satisfied in connection with (i) the *société de financement de l'habitat*'s quarterly programme of issues benefiting from the *Privilège* and (ii) any issue of resources benefiting from the *Privilège* and whose amount is greater than Euro 500 million;
- (c) to ensure that the home loans (*prêts à l'habitat*) granted or refinanced by the *société de financement de l'habitat* comply with the purpose of article L. 513-28 of the French Monetary and Financial Code and with the requirements set out in articles L. 513-29 *et seq.* of the French Monetary and Financial Code;
- (d) to control, when the home loans (*prêts à l'habitat*) granted or financed by the *société de financement de l'habitat* are subject to a guarantee (*cautionnement*) from another credit institution, financing company (*société de financement*) or insurance company included in the consolidation scope, as defined by article L. 233-16 of the French Commercial Code as applicable to the *société de financement de l'habitat*, the risks assessment methods established by such credit institution, financing company (*société de financement*) or insurance company are adequate, in accordance with article R. 515-17 of the French Monetary and Financial Code; and
- (e) to review, pursuant to article 12 of the CRBF Regulation, the level of rate and maturity matching between the assets and the liabilities. In case the Specific Controller believes that the level of rate and maturity matching would create excessive risks for the creditors benefiting from the *Privilège*, the Specific Controller informs the officers of the relevant *société de financement de l'habitat* and the *Autorité de contrôle prudentiel et de résolution*.

The Specific Controller attends all shareholders' meetings and, on his request, may be heard by the board of directors of the *société de financement à l'habitat* (article L. 513-23 of the French Monetary and Financial Code).

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

## 10. DESCRIPTION OF THE ISSUER

*For the avoidance of doubt, it is specified that the expression "Notes" will include German Law Notes and French Law Notes and the expression "Noteholder(s)" includes any holder of such Notes, in the following section.*

### **Incorporation, duration and registered office**

The Issuer is a specialised credit institution (*établissement de crédit spécialisé*) having opted for the status of *sociétés de financement de l'habitat*, incorporated under French law on 21 février 2003 for a period of 99 years as a *société anonyme à conseil d'administration*. The Issuer was initially named "Virix"; it changed its name into "Société Générale France Habitat Financement" (SG FHF) on 10 December 2010 and into "Société Générale SFH" on 18 April 2011. The Issuer is registered under the name of Société Générale SFH in the Commercial and Companies Registry (*Registre du Commerce et des Sociétés*) of Nanterre under number 445 345 507. The Issuer's office is at 17, cours Valmy, 92800 Puteaux, France, its telephone number: +33 (0)1 42 14 29 22. On 28 March 2011, the Issuer was authorised to act as a *société de financement de l'habitat* by the *Autorité de contrôle prudentiel et de résolution*.

The Issuer is governed by the legal and regulatory provisions applicable to commercial companies (*sociétés commerciales*) (including, without limitation, articles L. 210-1 *et seq.* of the French Commercial Code), to credit institutions and to *sociétés de financement de l'habitat* (articles L. 513-3, L. 513-5, L. 513-7 to L. 513-26, L. 513-28 *et seq.* and R. 515-2, R. 515-4, R. 515-5, R. 515-7 to R. 515-11 and R. 515-12 to R. 515-17 of the French Monetary and Financial Code, article 74 of law n°2010-1249 of 22 October 2010 on banking and financial regulation and the CRBF Regulation and the various *Autorité de contrôle prudentiel et de résolution's* instructions) (see the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*").

The Issuer is a member of the Société Générale group.

### **Share capital**

The Issuer's share capital, as at the date of this Base Prospectus, amounts to EUR 375,000,000 divided into 37,500,000 fully paid-up ordinary shares of Euro 10. At the date of this Base Prospectus, 99.99 per cent of this share capital is owned by Société Générale and the remainder is owned by other entities of the Société Générale group which each holds one share of the Issuer share capital.

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

On 4 August 2009, Société Générale formalised a declaration of financial support for its subsidiary Société Générale SFH (formerly known as Société Générale France Habitat Financement (SG FHF)). The text of the declaration of financial support is translated (for information purposes only) as follows:

“Paris, 4 August 2009

Dear Madam,  
Dear General Secretary,

*In order to allow Société Générale France Habitat Financement, a 99.9% subsidiary of Société Générale, which has been licensed as a credit institution (établissement de crédit), to benefit from the provisions of article 4.1 of regulation n° 2000-03 of the Comité de la réglementation bancaire et financière, we hereby undertake to the Commission bancaire to grant Société Générale France Habitat Financement our support so as to ensure its general solvability and liquidity. Additionally, we will ensure that it will be managed in a reasonable manner pursuant to the applicable financial law.*

*We will indeed inform you in advance of any change that would affect this representation if we wanted not to allow any more Société Générale France Habitat Financement to benefit from article 4.1. In such a case, this representation would terminate on the date on which the Commission bancaire considers that Société Générale France Habitat Financement complies with the supervision rules on an individual or sub-consolidated basis.*

*We hereby confirm to have the powers to make this representation and to have informed the board of directors of such representation during the meeting of 4 August 2009.*

*Yours sincerely,*

*Frédéric Oudéa”*

Original text in French:

“Paris, le 4 août 2009

*Madame le Secrétaire Général,*

*Souhaitant faire bénéficier Société Générale France Habitat Financement, filiale 99,9% de Société Générale ayant reçu l'agrément d'établissement de crédit, des dispositions de l'article 4.1 du règlement n° 2000-03 du Comité de la réglementation bancaire et financière, nous déclarons à la Commission bancaire lui apporter notre soutien assurant sa solvabilité et sa liquidité globales. Nous veillerons en outre à ce qu'elle soit gérée de façon prudente au sens de la réglementation bancaire en vigueur.*

*Nous vous informerons bien entendu préalablement de tout changement remettant en cause la présente déclaration si nous ne souhaitons plus voir Société Générale France Habitat Financement bénéficier de l'article 4.1. Dans ce cas, la présente déclaration cessera définitivement de produire effet à la date à laquelle la Commission bancaire constatera que Société Générale France Habitat Financement satisfait à la surveillance sur base individuelle ou sous-consolidée.*

*Nous vous confirmons disposer des pouvoirs permettant d'effectuer la présente déclaration et en avoir informé le conseil d'administration du 4 août 2009.*

*Nous vous prions d'agréer, Madame le Secrétaire Général, l'expression de notre considération distinguée.*

*Frédéric Oudéa”*

## Issuer's exclusive purpose and business overview

The Issuer shall only carry out the activities and operations, whether in France or abroad, that are expressly allowed to it under its legal exclusive purpose defined in articles L. 513-28 *et seq.* of the French Monetary and Financial Code applicable to the *sociétés de financement de l'habitat* and in article 5 of its by-laws (*statuts*).

For information regarding the agreements already entered into by the Issuer, at the date of the Base Prospectus see the section entitled "Relationship between Société Générale SFH and Société Générale".

The Issuer may participate in any clearing system, interbank settlement system (*système de règlements interbancaires*), securities delivery and payment system (*système de règlement-livraison de titres*), as well as any activity within the context of the monetary policy of the European Central Bank.

More generally, the Issuer may perform any ancillary activities relating to its business or for the purpose of achieving its corporate purpose, as soon as these activities comply with the corporate purpose of *sociétés de financement de l'habitat* as it is defined in legal and mandatory legislation applying to their activities.

For a description of the legal framework applicable to *sociétés de financement de l'habitat*, see the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*".

The Issuer, acting as lender, entered into with Société Générale, acting as borrower, a facility agreement (the **Facility Agreement**). In order to secure the full and timely payment of all financial obligations which are or will be owed by Société Générale to the Issuer under the Facility Agreement, the Issuer, acting as beneficiary, and Société Générale, in its capacity as borrower, entered into a collateral security agreement (the **Collateral Security Agreement**) setting forth the terms and conditions upon which (i) Société Générale shall transfer, by way of security (*remise en pleine propriété à titre de garantie*) to the benefit of the Issuer pursuant to articles L. 211-36 *et seq.* of the French Monetary and Financial Code, home loans complying with the eligibility criteria provided for by article L. 513-29 of the French Monetary and Financial Code and (ii) Société Générale shall transfer to the Issuer certain amounts as cash collateral (*gage espèces*) upon the occurrence of certain downgrading events relating to Société Générale (see sections entitled "Risk Factors - Risk Factors relating to the Operation of the Issuer", "Risk Factors - Risk Factors relating to the Collateral Security" and "Relationship between Société Générale SFH and Société Générale").

The formation of the Issuer takes place as part of the Société Générale refinancing and is intended to lower the overall cost of funding for the Société Générale group by refinancing eligible assets at a competitive cost.

The *obligations de financement de l'habitat* which will be issued by the Issuer are expected to be rated AAA by Fitch Ratings and Aaa by Moody's and listed on Euronext Paris. By offering the market AAA/Aaa rated *obligations de financement de l'habitat*, which are a reflection, among other factors, of the intrinsic quality of the assets of the Issuer, the Issuer aims to increase the competitiveness of the Société Générale group. By providing the market with a new counterparty (in addition to Société Générale), the Issuer should increase the Société Générale group's investor base.

Pursuant to articles L. 513-12 and R. 515-7-2 of the French Monetary and Financial Code, the Issuer must at all times maintain a ratio of at least 102 per cent. of its assets to the total

amount of its liabilities benefiting from the *Privilège*, as described in the section entitled "Summary of the legislation and regulations relating to *sociétés de financement de l'habitat*".

## Subsidiaries

Pursuant to article L. 513-29, IV of the French Monetary and Financial Code, the Issuer is not entitled to hold any equity interest (*participations*) in any entity.

## Management of the Issuer

The Issuer is run by a board of directors (*conseil d'administration*).

The Issuer's board of directors, which at the date of this Base Prospectus comprises 9 members, including Société Générale, has full powers to act in all circumstances on behalf of the Issuer within the limits set by its internal rules and the by-laws (*statuts*) of the Issuer and subject to the powers expressly conferred by the French Commercial Code on shareholders in general meetings.

The chairman of the board of directors (*président du conseil d'administration*), who is also Chief Financial Officer of the Retail Bank of Société Générale in France, organises and directs the work of the board of directors, of which he shall give an account at the shareholders' meetings, ensures that the governing bodies of the Issuer operate properly, and that the directors are able to perform their duties.

The management of the Issuer consists of a Chief Executive Officer (*directeur général*) and a Deputy Chief Executive Officer (*directeur général délégué*). All of them are vested with the broadest powers to act in all circumstances on behalf of the Issuer within the limits of the corporate purpose, and subject to the powers expressly attributed by law to shareholders' meetings and the special powers of the board of directors. They represent the Issuer in its relationships with third parties.

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

<b>Names</b>	<b>Business Address</b>	<b>Function</b>	<b>Principal activities performed outside the Issuer</b>
Stéphane Landon	17, cours Valmy 92800 Puteaux	Chief executive officer ( <i>directeur général</i> ) and director ( <i>administrateur</i> )	Head of Group Treasury and ALM
Vincent Robillard	17, cours Valmy 92800 Puteaux	Deputy chief executive officer ( <i>directeur général délégué</i> ) and director ( <i>administrateur</i> )	Head of Group Funding
Michel Bine	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Global Head of Short Term Rates & Treasury

<b>Names</b>	<b>Business Address</b>	<b>Function</b>	<b>Principal activities performed outside the Issuer</b>
Didier Harnois	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Head of Group Collateral Management
Bertrand Bréhier	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Deputy Head of Banking & Financial Department in Group Legal Department
Thierry Garcia	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Group Chief Accounting Officer
Jean-Louis Fort	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Lawyer
Société Générale, represented by Hervé de Kedrel	17, cours Valmy 92800 Puteaux	Director ( <i>administrateur</i> )	Parent Company
Isabelle Guillou	17, cours Valmy 92800 Puteaux	Chairman of the board of directors ( <i>Président du conseil d'administration</i> ) and Director ( <i>administrateur</i> )	Chief Financial Officer of the Retail Bank of Société Générale in France

The Issuer identified no potential conflicts of interest between the duties owed to it by the members of the board of directors (*membres du conseil d'administration*) and their private interests.

### **Control of the Issuer**

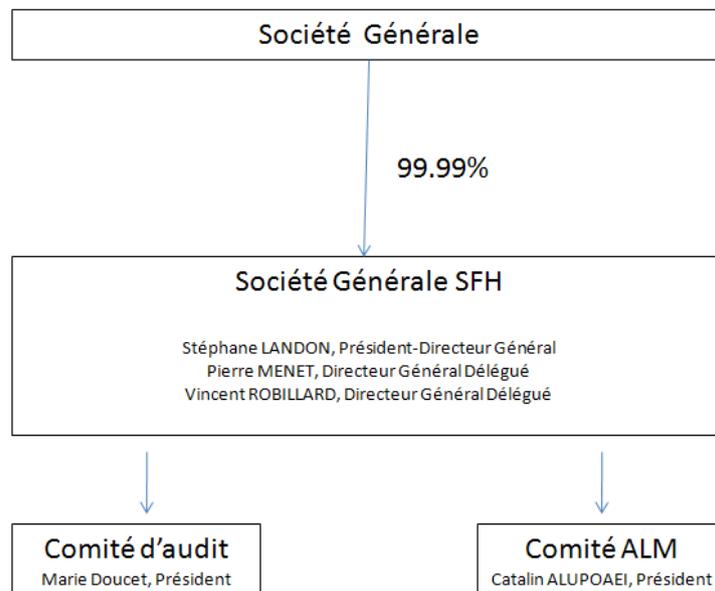
Argos was initially appointed as statutory auditor of the Issuer. Its appointment terminated on 31 December 2008. The Issuer has subsequently appointed Ernst & Young et Autres as sole statutory auditor (*commissaire aux comptes*) in 2009 and Deloitte & Associés as co-statutory auditor (*commissaires aux comptes*) in 2010. The Issuer has also appointed Picarle et Associés as substitute statutory auditor (*commissaire aux comptes suppléant*) of Ernst & Young et Autres and Béas as substitute statutory auditor (*commissaire aux comptes suppléant*) of Deloitte & Associés, in compliance with applicable laws and regulations (for further details, see the section entitled "General information – paragraph (9)").

The Issuer has also appointed, in accordance with articles L. 513-23, L. 513-24 and L. 513-32 of the French Monetary and Financial Code, Cailliau Dedouit et Associés as Specific Controller (*contrôleur spécifique*) and Didier Cardon as substitute Specific Controller (*contrôleur spécifique suppléant*).

Under Regulation n° 97-02 of 21 February 1997, as amended from time to time, of the *Comité de la réglementation bancaire et financière* relating to the internal control of the credit institutions and the financial companies, the board of directors of the Issuer set up an audit committee. The audit committee is responsible in particular, under the supervision of the board of directors, for (i) reviewing the accounts of the Issuer before their presentation to the board of directors, (ii) ensuring that the accounting methods used to prepare the individual accounts are relevant and consistent, and (iii) advising on the organisation of the internal audit.

At the date of this Base Prospectus, the Issuer has also set-up an asset and liabilities management (*ALM*) committee. The ALM committee examines the ALM policy of the Issuer, ensures that checks and procedures relating to the Issuer's ALM policy are effective and attends to the effective application of principles in force within Société Générale with respect to risk management in connection with entering into forward financial instruments in order to give the Issuer complete protection from rate and currency risks.

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



## Staff

The Issuer has no human resources. Its technical administration has been subcontracted to its parent, Société Générale, which acts in accordance with the instructions of the Issuer's board of directors, pursuant to the Outsourcing and Assistance Agreement and any document entered into between the Issuer and Société Générale in relation thereto (see the section entitled "Relationship between Société Générale SFH and Société Générale").

## Compliance with the corporate governance regulations

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

## Membership of professional organisation

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

## **11. FINANCIAL INFORMATION OF THE ISSUER**

### **Historical financial information concerning the Issuer**

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

See the Sections entitled "Description of the Issuer - Issuer's exclusive purpose and business overview" and "Summary of the legislation and regulation relating to *sociétés de financement de l'habitat*".

## 12. USE OF PROCEEDS

*For the avoidance of doubt, it is specified that the expression "Notes" will include French Law Notes and German Law Notes in the following section.*

The net proceeds of the issues of the Notes will be used for financing or refinancing:

- (a) the granting of advances under the Facility Agreement; and
- (b) from time to time, the granting or acquisition of the other assets of the Issuer, in accordance with its by-laws (*statuts*) and articles L. 513-28 *et seq.* of the French Monetary and Financial Code

### **13. MATERIAL CONTRACTS**

Please refer to the section entitled "Relationship between Société Générale SFH and Société Générale" of this Base Prospectus.

#### 14. RELATIONSHIP BETWEEN SOCIÉTÉ GÉNÉRALE SFH AND SOCIÉTÉ GÉNÉRALE

For the avoidance of doubt, it is specified that the expression "Notes" will include French Law Notes and German Law Notes in the following section.

On or about the date of this Base Prospectus, Société Générale SFH entered into, *inter alia*, the following contracts:

- the Management and Servicing Agreement, pursuant to which Société Générale shall carry out, in accordance with article L.513-15 of the French Monetary and Financial Code, the administration and recovery of the receivables of Société Générale SFH (in particular those which would be purchased by Société Générale SFH from subsidiaries of Société Générale), and any document entered into between the Issuer and Société Générale in relation thereto; pursuant to the Management and Servicing Agreement, Société Générale and Société Générale SFH have entered into a funding arrangement in order to invest the cash of the Issuer, in accordance with article L. 513-7 of the French Monetary and Financial Code; as a security of its obligations under the funding arrangement, Société Générale has granted a pledge over a securities account in favour of Société Générale SFH. The securities to be credited into this securities account shall (i) be issued by sovereigns, (ii) benefit from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution*, pursuant to article L. 511-44 of the French Monetary and Financial Code, (iii) be listed on a Regulated Market and (iv) not be issued by an entity that is integrated in the group of Société Générale on the basis of its consolidated or combined financial statements pursuant to article 1 of regulation n°99-07 of 24 November 1999 of the *Comité de la réglementation comptable*; the pledge can be enforced in case Société Générale fails to any of its obligations under the funding arrangement;
- the Outsourcing and Assistance Agreement, pursuant to which Société Générale shall fulfil regulatory obligations of permanent supervision, periodic supervision and compliance supervision on behalf of Société Générale SFH and shall provide Société Générale SFH with certain services required by the operations of Société Générale SFH, in particular for financial (financial management) and legal purposes, and any document entered into between the Issuer and Société Générale in relation thereto;
- the Dealer Agreement and the Paying Agency Agreement in relation to the Programme;
- the Facility Agreement pursuant to which the Issuer shall make available from time to time to Société Générale advances, within the limit of its commitment maximum amount;
- the Collateral Security Agreement pursuant to which (i) Société Générale, as security to its financial obligations towards the Issuer under the Facility Agreement shall transfer, by way of security (*remise en pleine propriété à titre de garantie*) to the benefit of the Issuer pursuant to articles L. 211-36 *et seq.* of the French Monetary and Financial Code, home loans complying with the eligibility criteria provided for by article L. 513-29 of the French Monetary and Financial Code (the **Collateral Security**) for an amount which shall comply at all times with the Asset Cover Test and (ii) Société Générale shall transfer to the Issuer pursuant to articles L. 211-38 *et seq.* of the French Monetary and Financial Code certain amounts as cash collateral (*gage espèces*) as follows:

*Pre-Maturity Test and Legal Liquidity Test*

The contractual liquidity test of the Issuer (the *Pre-Maturity Test*) shall be deemed complied with for so long as, in relation to any and each Series of Notes:

- a) no Pre-Maturity Rating Downgrade Event has occurred; or
- b) if, to the contrary, a Pre-Maturity Rating Downgrade Event has occurred and for so long as it is continuing:
  - (i) the Borrower has duly funded the Cash Collateral Account (as defined below) within thirty (30) calendar days from the receipt of the relevant Cash Collateral Funding Notice up to the relevant CCRFA (as defined below); and
  - (ii) on each first day of each Notes Interest Pre-Maturity Test Period (as defined below) or Notes Principal Pre-Maturity Test Period (as defined below), the amount standing into the credit of the Cash Collateral Account is adjusted to be at least equal to the CCRFA on such date.

The legal liquidity test of the Issuer (the *Legal Liquidity Test*) shall be deemed complied with for so long as, in relation to all the Liabilities (as defined below) of the Issuer:

- a) no Legal Liquidity Rating Downgrade Event has occurred; or
- b) if, to the contrary, a Legal Liquidity Rating Downgrade Event has occurred and for so long as it is continuing:
  - (i) the Borrower has duly funded the Cash Collateral Account within thirty (30) calendar days from the receipt of the relevant Cash Collateral Funding Notice up to the relevant CCRFA; and
  - (ii) on any day following the initial funding of the Cash Collateral Account *as per* paragraph (b) (i) above, the amount standing into the credit of the Cash Collateral Account is adjusted to be at least equal to the CCRFA on such date.

The Borrower shall be requested to fund the Cash Collateral Account up to the relevant CCRFA, upon the occurrence of:

- a) the downgrading at any time of the then applicable ratings of the Borrower below at least one (1) of the Pre-Maturity Rating Required Levels (each, a *Pre-Maturity Rating Downgrade Event*); and/or
- b) the downgrading at any time of the then applicable ratings of the Borrower below at least one (1) of the Liquidity Rating Required Levels (each, a *Liquidity Rating Downgrade Event*).

The occurrence of a Pre-Maturity Rating Downgrade Event and/or a Legal Liquidity Rating Downgrade Event does not constitute the occurrence of an Event of Default under the Facility Agreement.

The following credit ratings with respect to the Borrower are defined as the ***Pre-Maturity Rating Required Levels***:

- (a) F1+ (short-term) by Fitch Rating;
- (b) P-1 (short-term) by Moody's.

The following credit ratings with respect to the Borrower are defined as the ***Liquidity Rating Required Levels***:

- (a) F1 (short-term) by Fitch Rating;
- (b) P-1 (short-term) by Moody's.

Upon the occurrence of a Pre-Maturity Rating Downgrade Event and/or a Legal Liquidity Rating Downgrade Event, the Issuer shall inform the Borrower of the same within five (5) Business Days from such occurrence by written notice (the ***Cash Collateral Funding Notice***) delivered to the Borrower (with a copy to the Rating Agencies).

If a Cash Collateral Funding Notice is received by the Borrower, the Borrower shall fund the Cash Collateral Account up to an amount (the ***Cash Collateral Required Funding Amount*** or "***CCRFA***") calculated by the Issuer as being equal to:

- (a) if a Pre-Maturity Rating Downgrade Event occurs or is continuing while no Legal Liquidity Rating Downgrade Event has occurred, the CCRFA is equal to the sum of:
  - (i) the Pre-Maturity Notes Principal Amount;
  - (ii) the Pre-Maturity Notes Interest Amount; and
  - (iii) the relevant Pre-Maturity Costs;
- (b) if a Legal Liquidity Rating Downgrade Event occurs or is continuing, the CCRFA is equal to:
  - (i) the Liabilities; minus
  - (ii) the Revenues;
- (c) if both a Pre-Maturity Rating Downgrade Event and a Legal Liquidity Rating Downgrade Event occur or are continuing at the same time, the greater of:
  - (i) the CCRFA calculated pursuant to paragraph (a) above; and
  - (ii) the CCRFA calculated pursuant to paragraph (b) above;

whereby:

***Cash Collateral Account*** means the bank account to be funded with the Cash Collateral Required Funding Amount.

**Legal Liquidity Cover Period** means a period of one hundred and eighty (180) calendar days.

**Liabilities** means, on any given date, the liabilities that are due by the Issuer to all its creditors within the Legal Liquidity Cover Period starting on, and including, such date (including principal and interest due by the Lender under the then outstanding Notes).

**Notes Interest Pre-Maturity Test Period** means with respect to any Series of Notes, the period starting from, and including, the ninetieth (90th) calendar day preceding a Specified Interest Payment Date of that Series and ending on, and including, such Specified Interest Payment Date.

**Notes Principal Pre-Maturity Test Period** means with respect to any Series of Notes (which is not a Series of Soft Bullet Notes), the period starting from, and including, the two hundred and seventieth (270th) calendar day preceding the Maturity Date of that Series and ending on, and including, such Maturity Date.

**Pre-Maturity Costs** means 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 within a Notes Principal Pre-Maturity Test Period, as well as any fees and expenses benefiting from the privilege as set out in the last paragraph of article L. 513-11 of the French Monetary and Financial Code.

**Pre-Maturity Notes Interest Amount** means the aggregate amount of interest of Notes (in Euro or Euro equivalent with respect to Notes denominated in any other currency), due under a Notes Interest Pre-Maturity Test Period.

**Pre-Maturity Notes Principal Amount** means the aggregate amount of principal of Notes (in Euro or Euro equivalent with respect to Notes denominated in any other currency), excluding the aggregate amount of principal of any Series of Soft Bullet Notes, the Maturity Date of which falls during a Notes Principal Pre-Maturity Test Period.

**Revenues** means, on any given date, all the sums that are due to the Issuer by all its debtors within the Legal Liquidity Cover Period starting on, and including, such date (excluding the sums due to the Issuer under the Facility Agreement, but including the sums due by the relevant debtors under the Collateral Security Assets and the net amount due to the Issuer under the Issuer Hedging Agreement and the Borrower Hedging Agreement).

**Soft Bullet Notes** means Notes with a soft bullet maturity which allows the Maturity Date of the relevant Series to be extended once for a period of one (1) year, in accordance with, and as described in the relevant Final Terms of Notes.

Each of the following events shall constitute a **Breach of the Pre-Maturity Test**:

- (a) the failure by the Borrower to fund into the Cash Collateral Account the relevant amount within thirty (30) calendar days from the receipt of a Cash Collateral Funding Notice; or

- (b) as long as a Pre-Maturity Rating Downgrade Event is continuing, the amount standing into the credit of the Cash Collateral Account is not adjusted to be at least equal to the relevant CCRFA.

A Breach of the Pre-Maturity Test constitutes an Event of Default under the Facility Agreement.

Each of the following events shall constitute a ***Breach of Legal Liquidity Test***:

- (a) the failure by the Borrower to fund into the Cash Collateral Account the relevant amount within thirty (30) calendar days from the receipt of a Cash Collateral Funding Notice; or
- (b) at any time during any Legal Liquidity Cover Period, the amount standing into the credit of the Cash Collateral Account is not adjusted to be at least equal to the relevant CCRFA.

A Breach of Legal Liquidity Test does not constitute an Event of Default under the Facility Agreement. However, it may trigger the withdrawal of the license of the Lender as a *société de financement de l'habitat*.

#### *Collection Loss Reserve*

Upon the occurrence of a Collection Loss Trigger Event, and within ten (10) Business Days from the occurrence of such Collection Loss Trigger Event, the Borrower shall (i) transfer, pursuant to articles L. 211-38 *et seq.* of the French Monetary and Financial Code, into the credit of the Collection Loss Reserve Account an amount equal to the aggregate amount of collections (interests and principal) received by the Borrower under the home loans granted as Collateral Security during the two and half (2,5) calendar months preceding the occurrence date of such Collection Loss Trigger Event and (ii) further, as long as the Collection Loss Trigger Event is continuing, adjust within ten (10) Business Days following each date on which the Asset Cover Test is performed, the amount standing to the credit of this Collection Loss Reserve Account so that it is an amount equal to the sum of collections received by the Borrower under the home loans granted as Collateral Security during the two and half (2,5) calendar months preceding such date,

whereby:

***Collection Loss Reserve Account*** means the bank account to be funded upon the occurrence of a Collection Loss Trigger Event.

***Collection Loss Trigger Event*** means the downgrading of the Issuer Default Rating (IDR) of the Borrower below A (long-term) or F1 (short-term) by Fitch Ratings or the downgrading of the unsecured and unsubordinated debt obligations of the Borrower below A2 (long-term) or P-1 (short-term) by Moody's.

Failure by the Borrower (i) to fund the Collection Loss Reserve Account up to the required amount within the required period following the occurrence of the Collection Loss Trigger Event or (ii) to adjust, as long as the Collection Loss Trigger Event is continuing, the amount standing into the credit of the

Collection Loss Reserve Account up to the required amount within the required period following each date on which the Asset Cover Test is performed (each a ***Breach of Collection Loss Reserve Funding Requirement***) shall constitute an Event of Default under the Facility Agreement.

- the hedging side letter entered into with Société Générale pursuant to which the Issuer and the Borrower agree on the approved form of confirmations relating to the Issuer Hedging Agreement and the Borrower Hedging Agreement (the ***Hedging Side Letter***).
- a hedging agreement (the ***Issuer Hedging Agreement***, as such agreement may be amended, supplemented, novated, restated or superseded from time to time) and related hedging transaction(s) with Société Générale, as hedging counterparty (Société Générale or any successor, transferee, assignee, novatee, or otherwise, in whole or in part, or any entity which becomes party to a hedging agreement as hedging counterparty, the ") in order to hedge the Issuer against the rate risks relating to the Issuer's assets (the Issuer's assets may bear interest at a floating rate plus a margin, whereas the interest of the Notes can be on a fixed rate or a floating rate based on an index different from the index on which the floating rate of the Issuer's assets may be based); and the home loans granted as Collateral Security under the Collateral Security Agreement that could arise following the enforcement of the Collateral Security, and each transaction governed by the Issuer Hedging Agreement shall constitute a: (I) Notes hedging transaction, if entered into by the Issuer to hedge the interest rate risk associated with the Notes (a ***Notes Hedging Transaction***); or (II) Collateral Security transaction, if entered into by the Issuer to hedge the rate risk associated with the Collateral Security (a ***Collateral Security Transaction***).
- a second hedging agreement with the Hedging Counterparty (the ***Borrower Hedging Agreement***, as such agreement may be amended, supplemented, novated, restated or superseded from time to time) and related transactions thereunder (the ***Borrower Hedging Transactions***) which will constitute a back-to-back agreement with any Collateral Security Transaction entered into under the Issuer Hedging Agreement in order to transfer to the Hedging Counterparty the effect of the abovementioned Collateral Security Transactions under the Issuer Hedging Agreement to the Hedging Counterparty, , as long as the Collateral Security has not been enforced.
  - i. pursuant to the terms of the Issuer Hedging Agreement, in the event that the relevant ratings of the Hedging Counterparty (or its respective guarantor, as applicable, or in each case, any successor, transferee, assignee, novatee, or otherwise, in whole or in part) is or are downgraded by a Rating Agency below the required ratings specified in the relevant Issuer Hedging Agreement then, where applicable, the relevant Hedging Counterparty will, in accordance with and pursuant to the terms of the Issuer Hedging Agreement, be required to take certain remedial measures which may include one (1) or more of the following: (i) providing collateral for its obligations under the Issuer Hedging Agreement; (ii) arranging for its obligations under the Issuer Hedging Agreement to be transferred to a replacement hedging provider with the minimum ratings specified above; (iii) procuring another entity with the minimum ratings specified above to become co-obligor in respect of its obligations under the Issuer Hedging Agreement; and/or (iv) taking such other actions as the Hedging Counterparty may agree with the relevant Rating Agency;
  - ii. upon the enforcement of the Collateral Security in accordance with the Collateral Security Agreement and the subsequent transfer in favor of the Issuer of title to the Collateral Security Assets (as this term is defined under the Collateral Security

Agreement): (a) the Issuer will maintain its rights and obligations under the existing Issuer Hedging Agreement; and (b) the Borrower Hedging Agreement will be immediately terminated; and

- iii. any amounts payable pursuant to the Issuer Hedging Transactions, after the applicable set-off as the case may be, benefit from the Privilege. The amounts payable under the Borrower Hedging Agreement shall not benefit from the Privilege.

## 15. TERMS AND CONDITIONS OF THE NOTES

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

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

The Notes are issued with the benefit of a paying agency agreement dated [13] May 2014 (the **Paying Agency Agreement**) between the Issuer, Société Générale as fiscal agent and principal paying agent and Société Générale Bank & Trust as paying agent in Luxembourg. The fiscal agent, the paying agents and the calculation agent for the time being (if any) are referred to below respectively as the **Fiscal Agent**, the **Paying Agents** (which expression shall include the Fiscal Agent) and the **Calculation Agent(s)**. The holders of the interest coupons (the **Coupons**) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the **Talons**) for further Coupons and the holders of the receipts for the payment of instalments of principal (the **Receipts**) relating to Materialised Notes of which the principal is redeemable in instalments, are respectively referred to below as the **Couponholders** and the **Receiptholders**.

For the purposes of these Terms and Conditions, **Regulated Market** means any regulated market situated in a member state of the European Economic Area (the **EEA**), as defined in Directive 2004/39/EC of the European Parliament and of the Council dated 21 April 2004 on markets in financial instruments.

## 1. Form, Denomination, Title and Redenomination

### (a) Form

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

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

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

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

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

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

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

The Notes may be *Fixed Rate Notes*, *Floating Rate Notes*, *Zero Coupon Notes*, *Fixed/Floating Rate Notes* or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in these Terms and Conditions and the relevant Final Terms.

### (b) Denomination

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the *Specified Denomination(s)*), save that the minimum denomination of each Note admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended pursuant to Directive 2010/73/EC of 24 November 2010 will be €100,000 (or its equivalent in any other currency) or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

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

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) Title

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

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

(d) Redenomination

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt or Talon, by giving at least thirty (30) calendar days' notice in accordance with Condition 13 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating

Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the *EC*, as amended from time to time (the *Treaty*)) or events have occurred which have substantially the same effects (in either case, *EMU*), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the *Redenomination Date*.

- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to article 123(4) of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 13. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified by the Issuer to Noteholders. For the avoidance of doubt, the minimum denomination of each redenominated Note shall not be less than €100,000.
- (iii) Upon redenomination of the Notes, any reference herein to the relevant national currency shall be construed as a reference to Euro.
- (iv) The Issuer may, with the prior approval of the Fiscal Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 12, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 12 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the Noteholders, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 13 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or any other person for any commissions, costs, losses or expenses in relation to or resulting from, the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

## 2. Conversions and Exchanges of Notes

### (a) Dematerialised Notes

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

### (b) Materialised Notes

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

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

## 3. Status

The principal and interest of the Notes and, where applicable, any Receipts and Coupons relating to them, constitute direct, unconditional, unsubordinated and, pursuant to the provisions of Condition 4, privileged obligations of the Issuer and rank, and will rank, *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (priority right of payment) (the **Privilège**) created by article L.513-11 of the French Monetary and Financial Code as described in Condition 4.

## 4. *Privilège*

- (a) The Notes benefit from the *Privilège* created by article L.513-11 of the French Monetary and Financial Code.
- (b) Accordingly, notwithstanding any legal provisions to the contrary (including *Livre VI* of the French Commercial Code), pursuant to article L.513-11 of the French Monetary and Financial Code:
  - (i) the sums deriving from loans or assimilated receivables, exposures and securities eligible to the assets of a *société de financement de l'habitat* in the meaning of articles L. 513-28 and L. 513-29 of the French Monetary and Financial Code and from forward financial instruments referred to in article L.513-10 of the French Monetary and Financial Code (in each case after any applicable set-off), together with the claims in respect of deposits made by

the Issuer with credit institutions, are allocated in priority to the payment of *obligations de financement de l'habitat* such as the Notes, and any other resources raised by the Issuer and benefiting from the *Privilège*. It should be noted that it is not solely Notes that benefit from the *Privilège*; other resources raised by the Issuer pursuant to any agreement, document purporting to inform the public within the meaning of article L. 412-1 of the French Monetary and Financial Code or any other equivalent document required in connection with the admission to trading on a Regulated Market located outside France referring to the *Privilège* and forward financial instruments (i.e. derivative transactions) used for hedging under the conditions of article L. 513-10 of French Monetary and Financial Code, as well as some ancillary expenses and the sums, if any, due under the contract provided for in article L. 513-15 of the French Monetary and Financial Code may also benefit from the *Privilège*;

- (ii) in case of conciliation (*conciliation*), safeguard (*sauvegarde*), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) of the Issuer, all amounts due regularly under *obligations de financement de l'habitat* such as the Notes, and any other resources benefiting from the *Privilège*, are paid on their contractual due date, and in priority to all other debts, whether or not preferred, including interest resulting from agreements whatever their duration. Accordingly, until all creditors (including the Noteholders) benefiting from the *Privilège* have been fully paid, no other creditor of the Issuer may exercise any right over the assets and rights of the Issuer; and
- (iii) the judicial liquidation of the Issuer will not result in the acceleration of payment of *obligations de financement de l'habitat* such as the Notes.

## 5. Interest and other Calculations

### (a) Definitions

In these Conditions, the following defined terms shall have the meanings set out below:

***Business Day*** means:

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

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

- (i) if **Actual/Actual**, **Actual/Actual-ISDA**, **Act/Act**, **Act/Act-ISDA** or **Actual/365-FBF** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **Actual/Actual-FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:
  - (x) the number of complete years shall be counted back from the last day of the Calculation Period; and
  - (y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;
- (iii) if **Actual/Actual-ICMA** or **Act/Act-ICMA** is specified in the relevant Final Terms:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one (1) Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins, divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where

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

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

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

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

where:

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

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

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

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

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

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

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

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

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

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

then:

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

or

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

$\frac{1}{360} \times 30$ ];

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

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

where:

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

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

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

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

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

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

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

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

where:

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

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

the fraction is:

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

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

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

where:

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

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

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

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

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

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

**Effective Date** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

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

**FBF Definitions** means the definitions set out in the June 2013 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* (together the **FBF Master Agreement**).

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

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

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

**Interest Determination Date** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) business days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

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

**Interest Period** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date

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

**ISDA Definitions** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc..

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

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

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

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

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

**Relevant Rate** means either EURIBOR, EONIA or LIBOR for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Relevant Rate) equal to the Specified Duration commencing on the Effective Date.

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

**Representative Amount** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

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

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

(b) Interest on Fixed Rate Notes

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

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

(c) Interest on Floating Rate Notes

(i) **Interest Payment Dates:** Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

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

**Modified Following Business Day Convention**, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day, or (D) the **Preceding Business Day Convention**, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

(iii) **Rate of Interest for Floating Rate Notes**: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in (i) the relevant Final Terms which may be.

(A) **FBF Determination for Floating Rate Notes**

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

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

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

In the applicable Final Terms, when the paragraph 'Floating Rate' specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.

(B) ISDA Determination for Floating Rate Notes

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

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

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

In the applicable Final Terms, when the paragraph 'Floating Rate Option' specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the Designated Maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.

(C) Screen Rate Determination for Floating Rate Notes

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

- (x) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
  - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

- (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

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

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

In the applicable Final Terms, when the paragraph 'Relevant Rate' specifies that the rate is determined by linear

interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Relevant Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.”

(d) Zero Coupon Notes

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

(e) Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.

(f) Accrual of interest

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

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

(i) If any Margin is specified in the relevant Final Terms, either (x) generally or (y) in relation to one or more Interest Accrual Periods, an adjustment shall be made to all Rates of Interest in the case of (x), or to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 5(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions, (w) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) otherwise all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (y) all figures shall be rounded to seven figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, *unit* means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) Calculations

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

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

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

the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market or other stock exchange and the rules of, or applicable to, that Regulated Market or other stock exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 13.

**6. Redemption, Purchase and Options**

(a) Final Redemption

Unless previously redeemed, purchased and cancelled or its maturity is extended as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount, as specified in the relevant Final Terms or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.

An extended maturity date (the *Extended Maturity Date*) which means a date falling one (1) year after the Maturity Date, may be specified in the relevant Final Terms. In this case, if the Final Redemption Amount of the relevant Series is not paid by the Issuer on the Maturity Date, the payment of such Final Redemption Amount shall be automatically deferred and shall become due and payable on the Extended Maturity Date. However, any amount representing the Final Redemption Amount remaining unpaid on the initially scheduled Maturity Date may be paid by the Issuer on any Interest Payment Date from (and excluding) such Maturity Date to (and including) the Extended Maturity Date. During the extended period, interest will continue to be calculated and to accrue on any unpaid principal amount at the relevant Rate of Interest and be payable on each Interest Payment Dates and on the Extended Maturity Date (if not earlier redeemed on an Interest Payment Date).

(b) Redemption by Instalments and Final Redemption

Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to the Issuer's option in accordance with Condition 6(c), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

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

If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all the relevant laws, regulations and directives and on giving not less than six (6) Business Days' irrevocable notice in accordance with Condition 13 to the Noteholders redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

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

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

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

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on Euronext Paris and the rules applicable to such Regulated

Market so permit, on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) or (ii) in a leading financial newspaper with general circulation in the city where the Regulated Market on which such Notes are admitted to trading is located, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

(d) Early Redemption

(i) Zero Coupon Notes

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

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(h) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

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

(ii) Other Notes

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

(e) No Redemption for Taxation Reasons

If any law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, such Notes may not be redeemed early.

(f) Purchases

The Issuer may, subject to Condition 6(h), at any time purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price, subject to the applicable laws and/or regulations.

Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes, or cancelled in accordance with Condition 6(h) below.

(g) Subscriptions

The Issuer shall have the right at all times to subscribe for Notes for the purpose of pledging them (*affecter en garantie*) as collateral security in order to secure the credit transactions (*opérations de crédit*) of the *Banque de France* in accordance with the terms and conditions determined by the *Banque de France* for its monetary and intraday credit policy, if the Issuer is not able to cover its cash needs with the other means available to it, provided that:

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

In any case, the Notes subscribed by the Issuer shall be cancelled within an 8-day period starting from the date on which they cease to be pledged for the benefit of the *Banque de France*.

(h) Cancellation

All Notes which have been purchased by or on behalf of the Issuer for cancellation will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such

Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(i) **Illegality**

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

**7. Payments and Talons**

(a) **Dematerialised Notes**

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

(b) **Definitive Materialised Notes**

(i) **Method of payment**

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

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

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

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

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

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

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

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

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

(c) Payments in the United States

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

(d) Payments subject to Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives but without prejudice to Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Code 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, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

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

taxation of savings income or any law implementing or complying with, or introduced in compliance with, such Directive (as may be amended from time to time) (which may be the Paying Agent referred to in (iii) above), (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent, and (vi) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be admitted to trading.

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

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 13.

(f) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) Business Days for Payment

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

(h) Bank

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

## 8. Taxation

### (a) Withholding Tax

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

### (b) No Additional Amounts

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

## 9. Prescription

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

## 10. Representation of Noteholders

In respect of the representation of Noteholders, the following shall apply:

- (a) If the relevant Final Terms specify "*No Masse*", the Noteholders will not, in respect of all Tranches in any Series, be grouped for the defence of their common interest in a *Masse* (the *Masse*) and the provisions of the French Commercial Code (*Code de commerce*) relating to the *Masse* shall not apply; or
- (b) In respect of any Tranche of Notes issued inside France, the relevant Final Terms shall specify "*Full Masse*" and the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *Masse* and the provisions of the French Commercial Code (*Code de commerce*) relating to the *Masse* shall apply subject to the below provisions of this Condition 10(b).

The names and addresses of the initial Representative (as defined below) of the *Masse* and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all Tranches in such Series.

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

In the event of death, retirement or revocation of appointment of the initial Representative, such Representative will be replaced by its alternate. In the event of death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Noteholders (the *General Meeting*).

In accordance with article R.228-71 of the French Commercial Code (Code de commerce), the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Noteholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting.

The place where a General Meeting shall be held will be set out in the notice convening such General Meeting.

- (c) In respect of any Tranche of Notes issued or deemed to be issued outside France, the relevant Final Terms shall specify “Contractual Masse” and the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the **Masse**) which will be subject to the below provisions of this Condition 10(c).

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

(i) Legal Personality

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

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

(ii) Representatives

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

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

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

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

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

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

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

(iii) Powers of Representative

The Representative shall (in the absence of any decision to the contrary of the General Meeting and except as provided by paragraph 1 of article L. 513-24 of the French Monetary and Financial Code) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

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

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

(iv) General Meeting

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

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 13.

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

In accordance with article R. 228-71 of the French Commercial Code, the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the third

business day in Paris preceding the date set for the meeting of the relevant General Meeting at zero hours, Paris time.

(v) Powers of the General Meetings

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

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

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

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 13.

(vi) Information to Noteholders

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

(vii) Expenses

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

(viii) Single Masse

The Noteholders of the same Series, and the Noteholders of any other Series which has been assimilated with the Notes of such first mentioned Series in accordance with Condition 12, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

For the avoidance of doubt, in this Condition 10, the term "outstanding" shall not include the Notes subscribed or purchased by the Issuer pursuant to respectively article L.513-26 and article L. 213-1-A of the French Monetary and Financial Code and that are held by it and not cancelled.

## **11. Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

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

## **12. Further Issues and Consolidation**

### **(a) Further Issues**

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

### **(b) Consolidation**

The Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may, from time to time, on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) calendar days' prior notice to the Noteholders in accordance with Condition 13, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

## **13. Notices**

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth (4<sup>th</sup>) weekday (being a day other than a Saturday or a Sunday) after the mailing, or, at the option of the Issuer, (ii) they are published in a leading daily financial newspaper of general circulation within Europe (which is expected to be the *Financial Times*), provided that, so long as such Notes are admitted to trading on any Regulated Market and the rules applicable to such Regulated Market so require, notices shall be valid if published in a daily financial newspaper with general circulation in the city/ies where the Regulated

Market on which such Notes are admitted to trading is located, or as otherwise required by the rules applicable to that Regulated Market, as the case may be.

- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a daily leading financial newspaper of general circulation within Europe (which is expected to be the *Financial Times*) and so long as such Notes are admitted to trading on any Regulated Market and the applicable rules of that Regulated Market so require, in a leading daily financial newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is located, or as otherwise required by the rules applicable to that Regulated Market, as the case may be.
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au nominatif* or *au porteur*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 13(a), (b) and (d); provided that so long as such Notes are admitted to trading on any Regulated Market(s) and the rules applicable to that Regulated Market so require, notices shall also be published in a daily financial newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading is/are located, and as otherwise required by the rules applicable to that Regulated Market, as the case may be.
- (d) If any such publication is not practicable, notice shall be validly given if published in a leading daily financial newspaper with general circulation within Europe, provided that, so long as such Notes are admitted to trading on any Regulated Market, notice shall be published as otherwise required by the rules applicable to that Regulated Market, as the case may be. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

#### **14. Governing Law and Jurisdiction**

- (a) Governing Law

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

- (b) Jurisdiction

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

## 16. TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

*The following description is only applicable to French Law Notes.*

### Temporary Global Certificates

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

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

### Exchange

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

- (i) if the relevant Final Terms indicate that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “General description of the Programme - Selling Restrictions”), in whole, but not in part, for Definitive Materialised Notes; and
- (ii) otherwise, in whole but not in part, upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) or any successor regulation issued under Code section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B) as to non-U.S. beneficial ownership for Definitive Materialised Notes.

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

### Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes.

In this Base Prospectus, *Definitive Materialised Notes* means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid in respect of the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be securely printed in accordance with any applicable legal and stock exchange requirement.

### **Exchange Date**

Exchange Date means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) calendar days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 12(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) calendar days after the issue date of such further Materialised Notes.

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

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

*(This form of Final Terms will only apply to the French Law Notes. The form of the final terms applicable to German Law Notes is included in the Paying Agency Agreement)*

**17. FORM OF FINAL TERMS**

**Final Terms dated [●]**

**SOCIÉTÉ GÉNÉRALE SFH  
(Issuer)**

Issue of [Aggregate Nominal Amount of Tranche] *obligations de financement de l'habitat* due  
[●] constituting Series [●] Tranche [●]  
(the *Notes*)  
under the €25,000,000,000 Euro Medium Term Note Programme

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the base prospectus dated [13] May 2014 which received visa n°14-[●] from the *Autorité des marchés financiers* (the **AMF**) on [13] May 2014 [and the supplement to the base prospectus dated [●] which received visa n°[●] from the AMF on [●]] ([together] the **Base Prospectus**) which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended (the **Prospectus Directive**).

This document constitutes the final terms of the Notes (the **Final Terms**) described herein for the purposes of article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus, [the supplement to the Base Prospectus] and these Final Terms are available for viewing on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([prospectus.socgen.com](http://prospectus.socgen.com)) [and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained]. [In addition<sup>1</sup>, the Base Prospectus, [the supplement to the Base Prospectus] and these Final Terms are available for viewing [on/at] [●].]

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

Definitions of the terms used herein shall be deemed to apply to such terms used in the terms and conditions which are the [2011 EMTN Conditions] / [2012 EMTN Conditions] / [2013 EMTN Conditions] which are incorporated by reference in the base prospectus dated [●] May 2014 which received visa n°14-[●] from the *Autorité des marchés financiers* (the **AMF**) on [●] May 2014 [as supplemented by the supplement(s) to the base prospectus dated [●] which received visa n°[●] from the AMF on [●]] ([together] the **Base Prospectus**) which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended (the **Prospectus Directive**). This document constitutes the final terms of the Notes (the **Final Terms**) described herein for the purposes of article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus (including the [2011 EMTN Conditions] / [2012 EMTN Conditions] / [2013 EMTN Conditions] incorporated by reference therein). Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms, this Base Prospectus and the [2011 EMTN Conditions] / [2012 EMTN Conditions] / [2013 EMTN Conditions]. The Base Prospectus and these Final Terms are available for viewing on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([prospectus.socgen.com](http://prospectus.socgen.com)) [and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained]. [In addition<sup>2</sup>, the Base Prospectus and these Final Terms are available for viewing [on/at] [●].]

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

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

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

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

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

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

- [Zero Coupon]  
 [Fixed/Floating Rate]  
*(further particulars specified below)*
- 10. Redemption/Payment Basis:** [Redemption at par]  
 [Instalment]  
*(further particulars specified below)*
- 11. Change of Interest Basis:** Applicable *(for Fixed/Floating Rate Notes)*/Not Applicable  
 [Specify details for convertibility of the Fixed/Floating Rate Notes in accordance with the provisions of Conditions 5(e)]
- 12. Call Option:** [Applicable/Not Applicable]
- 13. Date of corporate authorisations for issuance of Notes obtained:** Decision of the board of directors (*Conseil d'administration*) dated [●]
- 14. Method of distribution:** [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 15. Fixed Rate Notes Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [●] in each year up to and including the [Maturity Date / Extended Maturity Date]  
*[NB: this will need to be amended in the case of long or short coupons]*  
*[where applicable [(adjusted pursuant to the [specify applicable Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"] / [(Unadjusted)]*
- (iii) Fixed Coupon Amount(s): [●] per [●] in Specified Denomination
- (iv) Broken Amount(s): [●] payable on the Interest Payment Date falling in/on [●]  
*[insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]*
- (v) Day Count Fraction: [Actual/Actual / Actual/Actual-ISDA / Actual/365-FBF / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / Bond

Basis / 30/360-FBF / Actual 30A/360 /  
(American Bond Basis) / 30E/360 / Eurobond  
Basis / 30E/360-FBF / 30E/360-ISDA]

(vi) Determination Dates: [[●] in each year/Not Applicable]

*(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*

**16. Floating Rate Notes Provisions:** [Applicable/Not Applicable]

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

(i) Interest Period(s): [●]

(ii) Specified Interest Payment Dates: [●]

(iii) First Interest Payment Date: [●]

(iv) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/ Modified  
Following Business Day Convention/ Preceding  
Business Day Convention]

*[Insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount]*

(v) Business Centre(s) (Condition 5(a)): [●]

(vi) Manner in which the Rate(s) of Interest is/are to be determined: [FBF Determination/ISDA Determination/  
Screen Rate Determination]

(vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]

(viii) FBF Determination: [Applicable/Not Applicable]

Floating Rate (*Taux Variable*): [●]

*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(A), insert the relevant interest period(s) and the relevant two rates used for such determination]*

Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]

- (ix) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [●]  
*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(B), insert the relevant interest period(s) and the relevant two rates used for such determination]*
- Designated Maturity: [●]
- Reset Date: [●]
- (x) Screen Rate Determination: [Applicable/Not Applicable]
- Relevant Rate: [●] [Either EURIBOR, EONIA or LIBOR]  
*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(C), insert the relevant interest period(s) and the relevant two rates used for such determination]*
- Relevant Time: [●]
- Interest Determination Date(s): [●]
- Primary Source: [Specify relevant screen page or "Reference Banks"]
- Reference Banks (if Primary Source is "Reference Banks"): [Specify four]/[Not Applicable]
- Relevant Financial Centre: *[The financial centre most closely connected to the Relevant Rate - specify if not Paris]*
- Representative Amount: *[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]*
- Effective Date: *[Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]*
- Specified Duration: *[Specify period for quotation if not duration of Interest Accrual Period]*
- (xi) Margin(s): [+/-] [●] per cent. per annum
- (xii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiv) Day Count Fraction: [Actual/Actual / Actual/Actual-ISDA / Actual/365-FBF / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / Bond Basis / 30/360-FBF / Actual 30A/360 /

(American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF / 30E/360-ISDA]

(xv) Market disruption (Condition 5(c)): [Insert description of any market disruption relating to the events concerning the Floating Rate]

(xvi) Adjustment Rules (Condition 5(c)): [Rules relating to the events concerning the Floating Rate]

**17. Zero Coupon Notes Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Amortisation Yield: [●] per cent. per annum

(ii) Day Count Fraction: [Actual/Actual / Actual/Actual-ISDA / Actual/365-FBF / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / Bond Basis / 30/360-FBF / Actual 30A/360 / (American Bond Basis) / 30E/360 / Eurobond Basis / 30E/360-FBF / 30E/360-ISDA]

## PROVISIONS RELATING TO REDEMPTION

**18. Call Option:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note: [●] per Note of [●] Specified Denomination

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [●]

(b) Maximum Redemption Amount: [●]

**19. Redemption by Instalments:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Instalment Amount(s): [●]

(ii) Instalment Date(s): [●]

20. **Final Redemption Amount of each Note:** [[●] per Note of [●] Specified Denomination]

21. **Early Redemption Amount:**

Early Redemption Amount(s) of each Note payable on early redemption : [[●] per Note of [●] Specified Denomination]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. **Form of Notes:** [Dematerialised Notes/ Materialised Notes]  
(Materialised Notes are only in bearer form)

[Delete as appropriate]

(i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer form (*au porteur*)/ administered registered form (*au nominatif administré*)/ fully registered form (*au nominatif pur*)]

(ii) Registration Agent: [Not Applicable/if applicable give name and address] (*Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only*)

(iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the **Exchange Date**), being forty (40) calendar days after the Issue Date (subject to postponement as specified in the Temporary Global Certificate)]

23. **Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 7(g):** [Not Applicable/Give details] *Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 15 (ii) and 16(v) relate*

**Adjusted Payment Date (Condition 7(g)) :**

[Applicable/Not Applicable/The next following business day unless it would thereby fall into the next calendar month, in which case such date shall be brought forward to the immediately preceding business day.] [The immediately preceding business day]/[Other]<sup>4</sup>

24. **Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. *If yes, give details*] (*Only applicable to Materialised Notes*)

25. **Details relating to Instalment Notes: amount of each instalment,** [Not Applicable/give details]

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<sup>4</sup> The market practice is that, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 7(g)).

**date on which each payment is to be made:**

26. **Redenomination, renominatisation and reconventioning provisions:** [Not Applicable/The provisions [in Condition 1(d)] apply]
27. **Consolidation provisions:** [Not Applicable/The provisions [in Condition 12(b)] apply]
28. **Masse (Condition 10):** [[No Masse] / [Full Masse] / [Contractual Masse] shall apply]

*(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 10(a) (No Masse) or Condition 10(c) [Contractual Masse] may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 10(b) (Full Masse) shall apply).*

*(If Condition 10(b) (Full Masse) applies, insert below details of Representative and Alternative Representative and remuneration, if any:)*

[Name and address of the Representative:[●]]

[Name and address of the alternate Representative:[●]]

[The Representative will receive no remuneration/ The Representative will receive a remuneration of:[●]]

## **GENERAL**

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

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on [Euronext Paris /other (*specify*)] of the Notes described herein pursuant to the Euro 25,000,000,000 Euro Medium Term Note Programme of Société Générale SFH.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (specify source)]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware,

and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]<sup>5</sup>

Signed on behalf of Société Générale SFH:

By: .....

Duly authorised [*Signature of the legal representative of the Issuer or the person responsible for the prospectus according to the relevant national law*]

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<sup>5</sup> Include if the third party information is provided.

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Euronext Paris] / other (*specify*)/ Not Applicable]
- (ii) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (*specify relevant regulated market*) with effect from [●].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (*specify relevant regulated market*) with effect from [●].] / [Not Applicable]
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: [●]
- (iii) Estimate of total expenses related to admission to trading: [●]
- (iv) Additional publication of Base Prospectus and Final Terms: [●] (*See paragraph 10 of the section entitled “General Information” of the Base Prospectus which provides that the Base Prospectus and Final Terms will be published on the website of the Autorité des marchés financiers so long as the Notes are admitted to trading on any Regulated Market. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.*)

### 2. RATINGS

[The Notes [have been/are expected to be] rated]

[Moody's: [●]]

[Fitch Ratings: [●]]

[[Other]: [●]]

Each of Fitch Ratings and Moody's [and [●]] is established in the European Community and is registered under European Regulation 1060/2009/EC of 16 September 2009 on credit rating agencies, as amended (the **CRA Regulation**). As such, each of Fitch Ratings and Moody's [and [●]] is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website

[www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) in accordance with the CRA Regulation.

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

### **3. [NOTIFICATION]**

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

### **4. SPECIFIC CONTROLLER**

The Specific Controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *Privilège* defined in article L.513-11 of the French Monetary and Financial Code, after settlement of this issue and of the issues which have been the subject of previous certifications.

### **5. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST<sup>6</sup>**

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

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

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

### **6. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE]**

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

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<sup>6</sup> Please note that some regulatory authorities may require the inclusion of this information even though the denomination of the Notes is €100,000 or more.

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

## **7. [Fixed Rate Notes only – YIELD**

Indication of yield:

[●].

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

## **8. Distribution**

(i) If syndicated, names of Managers:

[Not Applicable/give names]

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

[Not Applicable/give name]

(iii) If non-syndicated, name of Dealer:

[Not Applicable/give name]

(iv) U.S. selling restrictions:

The Notes have not been and will not be registered under the Securities Act, as amended, or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

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

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

In addition, until 40 calendar days after the commencement of the offering of any

identifiable Tranche, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

## 9. OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

Depositories:

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

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

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

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

Delivery:

Delivery [against/free of] payment

Name and address of Paying Agents:

**[Fiscal Agent and Principal Paying Agent:  
Société Générale  
BP 81236  
32, rue du Champ de Tir  
44312 Nantes Cedex 3  
France**

**Luxembourg Paying Agent:  
Société Générale Bank & Trust  
11, avenue Emile Reuter  
L-2420 Luxembourg]**

Name and address of Calculation Agent: [●]

[●]

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

## 18. TAXATION

*The following is a summary limited to certain tax considerations in France and in Luxembourg relating to the payments made in respect of the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force in France and in Luxembourg as of the date of this Base Prospectus and as applied by the tax authorities, all of which are subject to changes or to different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposal of the Notes in light of its particular circumstances.*

Under EC 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 another Member State details of payments of interest (or similar income) paid by a person within their jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with other countries), Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments. A number of non-EU countries and territories including Switzerland adopted similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Savings Directive.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive, published on 15 April 2014 in the Official Journal of the European Union, amending and broadening the scope of the Savings Directive (the **Amending Directive** or the **Directive**). In particular, the changes expand the range of payments covered by the Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

If, following implementation of the Savings Directive or the Amending Directive, a payment in respect of the Notes were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such withholding tax pursuant to the Savings Directive or the Amending Directive.

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

### **French taxation**

*The following is a summary limited to certain withholding tax considerations in France relating to the holding of the Notes by Noteholders who do not concurrently hold shares of the Issuer and who are not otherwise affiliated with the Issuer, including within the meaning of Article 39, 12 of the French General Tax Code (Code général des impôts). This summary is based on the tax laws and regulations of France, as currently in force and applied by the French tax authorities, all of which are subject to change or to different interpretation. This summary is for general information and does not purport to address all French tax considerations that may be relevant to specific Noteholders in light of their particular situation. Persons considering the purchase of*

Notes should consult their own tax advisers as to French tax considerations relating to the purchase, ownership and disposition of Notes in light of their particular situation.

### **Savings Directive**

The Savings Directive has been implemented in French law by article 242 *ter* of the French General Tax Code (*Code général des impôts*) and articles 49 I *ter* to 49 I *sexies* of the Schedule III to the French General Tax Code (*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.

### **French Withholding Tax**

Following the introduction of the French "*loi de finances rectificative pour 2009 n° 3*" (no. 2009-1674 dated 30 December 2009) (the **Law**), 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 General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (*Code général des impôts*) (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 75% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code (*Code général des impôts*).

Furthermore, pursuant to Article 238 A of the French General Tax Code (*Code général des impôts*), interest and other revenues on such Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (the **Deductibility Exclusion**). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 *et seq.* of the French General Tax Code (*Code général des impôts*), in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French General Tax Code (*Code général des impôts*), at a rate of 30% or 75%, subject to the more favourable provisions of an applicable double tax treaty, if any.

Notwithstanding the foregoing, the Law provides that neither the 75% withholding tax nor the Deductibility Exclusion nor the withholding tax set out under article 119 *bis* 2 of the French General Tax Code (*Code général des impôts*) will apply in respect of the issue of the Notes solely by reason of the relevant payments being made to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**) and that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount. Pursuant to official guidelines issued by the French tax authorities under the references BOI-INT-DG-20-50-20140211, no. 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70, BOI-INT-DG-20-50-20140211, no. 550, BOI-ANNX-000364-20120912, no. 20 BOI-IR-DOMIC-10-20-20-60-20140211, an issue of 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 such Notes are:

- (a) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (b) 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
- (c) 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 Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Pursuant to Article 9 of the 2013 French Finance Law (*loi n°2012-1509 du 29 décembre 2012 de finances pour 2013*) subject to certain limited exceptions, interest and similar income received from 1 January 2013 by French tax resident individuals are subject to a 24% withholding tax, 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 15.5% on interest and similar income paid to French tax resident individuals.

## **Luxembourg taxation**

### ***Luxembourg withholding tax***

#### **(i) Non-resident Noteholders**

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

Under the Savings Laws implementing the Directive and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the *Territories*), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Savings Laws will be subject to a withholding tax of 35%.

(ii) **Resident Noteholders**

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

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

**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 (i) 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 and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a *Recalcitrant Holder*). The Issuer is classified as an FFI.

The new withholding regime will be phased in beginning 1 July 2014 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. This withholding would potentially apply to payments in respect of (i) any Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is the date that is six (6) months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued.

The United States and a number of other jurisdictions have announced their intention to negotiate 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 a Model 1 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. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. 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*).

The Issuer expects to be treated as a Reporting FI pursuant to the US-France IGA. However, no assurance can be given that the Issuer will be treated as a Reporting FI. If the Issuer becomes a Participating FFI under FATCA, the Issuer and financial *institutions* through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) 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 or (ii) an investor is a Recalcitrant Holder.

While the Notes are held within the clearing systems, 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 Bank and the participants in the clearing systems 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 clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, Dematerialised 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.**

**TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

## 19. SUBSCRIPTION AND SALE

*In the following section, the expression "Notes" will only include French Law Notes and the expression "Noteholders" includes any holder of French Law Note, except as otherwise specified.*

Subject to the terms and on the conditions contained in a dealer agreement dated [13] May 2014 between the Issuer, the Arranger, the Fiscal Agent and the Permanent Dealer (the **Dealer Agreement**), the Notes will be offered by the Issuer to the Permanent Dealer. However, the Issuer will have the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

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

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

### General

These selling restrictions may be modified by the Dealer Agreement and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

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

### European Economic Area

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

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

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

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

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC of 4 November 2003 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU of 24 November 2010.

With regard to any German Law Notes, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of German Law Notes to the public in any relevant jurisdiction, except for offerings in compliance with all laws, regulations and directives applicable to the offering of the German Law Notes in the relevant jurisdiction which may differ from the laws, regulations and directives applicable to the offering of securities in such jurisdiction.

### **United States of America**

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the *Securities Act*), or the securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly within the United States or to, or for the account or benefit of U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S under the Securities Act (*Regulation S*). Terms used in this paragraph have the meanings given to them by Regulation S.

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

The Permanent Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time and (ii) otherwise until forty (40) calendar days after the later of the commencement of the offering or the closing date, within the United States or to, or for the account or benefit of,

U.S. persons, and it will have sent to each dealer to which it sells the Notes a confirmation or other notice setting forth the restrictions on offers and sales of Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, within the United States or to, or for the account or benefit of, U.S. persons.

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

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

### **United Kingdom**

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

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

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended, the **FIEA**) and the Permanent Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident in Japan (as defined under Item 5, Paragraph 1, article 6 of the Foreign Exchange and Foreign Trade Act No. 228 of 1949, as amended), or to others for re-offering or resale, directly or indirectly in Japan or to a resident in Japan except pursuant to an exemption from the registration requirements of, and otherwise

in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## France

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

## Italy

Each of the Issuer and the Permanent Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that this Base Prospectus has not been, nor will be, published in the Republic of Italy in connection with the offering of the Notes and such offering of Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa (Consob)* in the Republic of Italy pursuant to Legislative Decree no. 58 of 24 February 1998 as amended (the *Financial Services Act*) and to Consob Regulation no. 11971 of 14 May 1999, as amended (the *Issuers Regulation*) and, accordingly, no Note may be offered, sold, transferred or delivered, and will not be offered, sold, transferred or delivered, directly or indirectly, in the Republic of Italy in an offer to the public (*offerta al pubblico*), as defined under article 1, paragraph 1, letter (t) of the Financial Services Act, nor may, or will, copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

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

Moreover, and subject to the foregoing, each of the Permanent Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that any offer, sale, transfer or delivery of Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must, and will, be effected in accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and, in particular, will be made:

- (a) by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Consob Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended; and

- (b) in compliance with any other notification requirement and/or limitation which may be, from time to time, imposed by Consob, the Bank of Italy and/or any other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer and resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations. Article 100-*bis* of the Financial Services Act affects the transferability of the Notes in the Republic of Italy to the extent that the Notes are placed solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the twelve (12) months following such placing. Should this occur without the publication of a prospectus pursuant to Prospectus Directive in the Republic of Italy or outside of the application of one of the exemptions referred to above, purchasers of Notes who are acting outside of the course of their business or profession are entitled, under certain conditions, to have such purchase declared void and to claim damages from any authorised intermediary at whose premises the Notes were purchased.

This Base Prospectus, the relevant Final Terms or any other document relating to the Notes, and the information contained herein are intended only for the use of its recipients and are not to be distributed to any third-party resident or located in the Republic of Italy for any reason.

## **Germany**

No Base Prospectus nor any prospectus within the meaning of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) or the German Investment Product Act (*Vermögensanlagegesetz*) entered into force on 1 June 2012 has been, nor will be, published in Germany or filed with the German Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) with regard to any Notes.

Notes may not be offered, sold or delivered, and will not be offered, sold or delivered, directly or indirectly to the public in Germany, except in compliance with all applicable laws, in the case of German Law Notes in particular the exemptions from the prospectus requirement under Section 2 of the German Investment Product Act and Section 3 and 4 of the German Securities Prospectus Act.

The Issuer assumes no responsibility and makes no representation regarding the suitability of Notes including, without limitation, German Law Notes as an investment product for any investor. In particular, the Issuer assumes no responsibility for the eligibility of any Notes as investment for any Noteholder domiciled in Germany and subject to particular regulatory requirements with regard to its investments, including, without limitation, insurance companies, pension funds, credit institutions and investment funds. Unless explicitly stated otherwise in the Conditions and/or the terms and conditions of the German Law Notes or the Final Terms, no reference therein to particular German law regulatory requirements implies or may be construed to imply any representation or warranty by the Issuer as to the suitability of the relevant Note for the Noteholder.

## 20. GENERAL INFORMATION

*For the following section, it is specified that the expression "Notes" will only include French Law Notes and the expression "Noteholders" includes any holder of such French Law Notes, except as otherwise specified.*

- (1) An application has been made to the AMF to approve this document as a base prospectus and this Base Prospectus has received visa n° 14-[●] on [13] May 2014. Application will be made in certain circumstances to list and admit the Notes on Euronext Paris and application may be made for the listing and admission to trading on any other Regulated Market in a Member State of the European Economic Area.
- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the establishment of the Programme.

Any issue of Notes by the Issuer under the Programme will, to the extent that such Notes constitute obligations under French law, require the prior authorisation of the board of directors (*conseil d'administration*) of the Issuer. The board of directors (*conseil d'administration*) of the Issuer may delegate to any of its members and to any other person, the power to decide on the issue of such Notes within a period of one year. For this purpose, the board of directors (*conseil d'administration*) of the Issuer has delegated on 24 March 2014 to its chief executive officer (*directeur général*), Stéphane Landon, and to its deputy chief executive officer (*directeur général délégué*), Vincent Robillard, acting jointly or separately, the power to issue *obligations de financement de l'habitat* under the Programme, up to a maximum amount of € 25,000,000,000 (i) per issue and (ii) in aggregate for one year, which authority will, unless previously cancelled, expire on 24 March 2015.

- (3) Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 December 2013.
- (4) Except as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2013.
- (5) Except as disclosed in this Base Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
- (6) Application may be made for Notes to be accepted for clearance through Euroclear France 66, rue de la Victoire, 75009 Paris, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream, Luxembourg (42, avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (7) Pursuant to article L. 513-12 and R. 515-13, IV of the French Monetary and Financial Code, the Specific Controller certifies that the rule providing that the amount of eligible assets of the Issuer is greater than the amount of liabilities benefiting from the *Privilège* is satisfied on the basis of a quarterly borrowing programme and for any issue of Notes or debts benefiting from the *Privilège* in a principal amount equal to or above Euro 500 million or its equivalent in the currency of issue.

- (8) Ernst & Young et Autres (represented by Micha Missakian, Tour First 1/2, Place des Saisons, 92400 Courbevoie - Paris La Défense 1) and Deloitte & Associés (represented by Jean-Marc Mickeler, 185, avenue Charles de Gaulle, 92524 Neuilly-sur-Seine cedex) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the year ended 31 December 2012 and 31 December 2013. Société Générale SFH's statutory auditors are registered with the *Compagnie Nationale des Commissaires aux Comptes* (National Association of Statutory Auditors) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors).
- (9) This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([prospectus.socgen.com](http://prospectus.socgen.com)). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([prospectus.socgen.com](http://prospectus.socgen.com)).

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

- (10) So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):
- (a) the by-laws (*statuts*) of the Issuer;
  - (b) the 2012 Financial Statements and the 2013 Financial Statements;
  - (c) Final Terms relating to Notes admitted to trading on Euronext Paris or any other Regulated Market;
  - (d) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus; and
  - (e) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus, including the certificate of the Specific Controller in respect of (i) each quarter relating to the borrowing programme for the relevant quarter and (ii) each issue of Notes in a principal amount equal to or above Euro 500 million or its equivalent in the currency of the relevant issue.

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

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

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