

# Information Memorandum



## **A\$5,000,000,000 Australian Medium Term Note Programme**

Issuer

**BPCE**

*(a French limited liability company (société anonyme))*

Arranger

**National Australia Bank Limited**

Dealers

**Australia and New Zealand Banking Group Limited**

**Commonwealth Bank of Australia**

**National Australia Bank Limited**

**NATIXIS**

**Westpac Banking Corporation**

The date of this Information Memorandum is 8 September 2017

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# Important Notice

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This Information Memorandum replaces in its entirety the Information Memorandum dated 12 April 2016.

## Introduction

This Information Memorandum relates to a medium term note programme ("**Programme**") established by BPCE ("**Issuer**" or "**BPCE**"), a French limited liability company (*société anonyme*), under which medium term notes and other debt securities (collectively referred to as "**Notes**") may, from time to time, be issued up to the Programme Amount (as defined in the section entitled "Summary of the Programme" below).

*The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia ("**Banking Act**"). The Notes are not obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia. Notes that are offered for issue or sale or transferred in, or into, Australia are offered only in circumstances that would not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia and issued and transferred in compliance with the terms of the exemption from compliance with section 66 of the Banking Act that is available to the Issuer. Such Notes are issued or transferred in, or into, Australia in parcels of not less than A\$500,000 in aggregate principal amount.*

Terms used in this Information Memorandum but not otherwise defined have the meanings given to them in the Conditions (as defined below).

## Issuer's responsibility

This Information Memorandum has been prepared by, and issued with the authority of, the Issuer.

The Issuer accepts responsibility for the information contained in this Information Memorandum other than information provided by the Arranger, the Dealers and the Agents (each as defined in the section entitled "Summary of the Programme" below) in relation to their respective descriptions in the sections entitled "Summary of the Programme" and "Directory" below.

## Place of issuance

Subject to applicable laws and directives, the Issuer may issue Notes under the Programme in any country including Australia and countries in Europe and Asia but not in the United States of America.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) ("**Securities Act**") and, accordingly, the Notes may not be offered, sold, delivered or transferred, at any time, within the United States of America or to, or for the account or benefit of, U.S. persons, except in a transaction exempt from the registration requirements of the Securities Act.

## Terms and conditions of issue

Notes will be issued in one or more series (each a "**Series**"). Each Series may comprise one or more tranches (each a "**Tranche**") having one or more issue dates and on terms and conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price, the amount and date of the first payment of interest).

Each issue of Notes will be made pursuant to such documentation as the Issuer may determine. A pricing supplement and/or another supplement to this Information Memorandum (each a "**Pricing Supplement**") will be issued for each Tranche or Series of Notes. A Pricing Supplement will contain details of the initial aggregate principal amount, issue price, issue date, maturity date, details of interest (if any) payable together with any other terms and conditions not set out in this Information Memorandum that may be applicable to that Tranche or Series of Notes. The terms and conditions

(“**Conditions**”) applicable to the Notes are included in this Information Memorandum and may be supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes.

The Issuer may also publish a supplement to this Information Memorandum (or additional information memoranda) which describes the issue of Notes (or particular classes of Notes) not otherwise described in this Information Memorandum. A Pricing Supplement or a supplement to this Information Memorandum may also supplement, amend, modify or replace any statement or information set out in a Pricing Supplement or incorporated by reference in this Information Memorandum or a supplement to this Information Memorandum.

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

The European Bank Recovery and Resolution Directive (the “**BRRD**”) and the Single Resolution Mechanism, as transposed into French law by a decree-law dated 20 August 2015, provide resolution authorities with the power to write down capital instruments or to convert them to equity or other instruments, if the issuing institution or the group to which it belongs is failing or likely to fail (and there is no reasonable prospect that another measure would avoid such failure within a reasonable time period), becomes nonviable, or requires extraordinary public support (subject to certain exceptions). The BRRD provides that capital instruments must be written down or converted before a resolution procedure is initiated or if doing so is necessary for the Issuer to remain viable. The Conditions of the Notes contain provisions giving effect to this write-down and conversion power. See Condition 23 (“Agreement with respect to the exercise of Bail-in Power”) in section entitled “Conditions of the Notes” below.

The write down or conversion requirements could result in the full or partial write down or conversion to equity (or other instruments) of the Notes. In addition, if the Issuer’s financial condition, or that of its group, deteriorates, or is perceived to deteriorate, the existence of the write-down and conversion powers could cause the market value of the Notes to decline more rapidly than would be the case in the absence of such powers.

For further information about the BRRD and related matters, see the section entitled “EU Bank Resolution and Recovery Directive” below.

## **Documents incorporated by reference**

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**Information Memorandum**” are to this Information Memorandum and any other document incorporated by reference and to any of them individually.

The following documents (including any that are published or issued from time to time after the date of this Information Memorandum) are incorporated in, and taken to form part of, this Information Memorandum:

- the most recently published registration document (*document de référence*), published in French, filed with the *Autorité des marchés financiers* and its free English translation available on the Issuer’s internet site;
- all supplements or amendments to this Information Memorandum circulated by the Issuer from time to time;
- each Pricing Supplement and all documents stated therein to be incorporated in this Information Memorandum; and
- all other documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum shall be modified or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference into this Information Memorandum modifies or supersedes such statement (including whether expressly or by implication).

Except as provided above, no other information, including any information on the internet sites of the Issuer or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Copies of documents which are incorporated by reference in this Information Memorandum may be obtained from the office of the Issuer or from such other person specified in a Pricing Supplement.

Investors should review, amongst other things, the documents which are deemed to be incorporated by reference in this Information Memorandum when deciding whether or not to subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

### **References to internet site addresses**

Any internet site addresses provided in this Information Memorandum are for reference only and, unless expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

### **No independent verification**

The only role of the Arranger, the Dealers and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective details, Australian Business Number (“**ABN**”) and Australian financial services licence (“**AFSL**”) numbers (where applicable) and descriptions in the sections entitled “Summary of the Programme” and “Directory” below are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Arranger, the Dealers or the Agents has independently verified the information contained in this Information Memorandum and each of the Arranger, the Dealers and the Agents disclaim any responsibility for such information. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by any of them, as to the authenticity, origin, validity, accuracy or completeness of, or any omission in, this Information Memorandum or any further information supplied by the Issuer in connection with the Programme or any Notes.

The Arranger, the Dealers and the Agents expressly do not undertake to review the financial condition or affairs of the Issuer or any of its affiliates at any time or to advise any holder of a Note or any other person of any information coming to their attention with respect to the Issuer and make no representations as to the ability of the Issuer to comply with its obligations under the Notes. The Arranger, the Dealers and the Agents do not make any representation as to the performance of the Issuer, the maintenance of capital or any particular rate of return, nor do they guarantee the payment of capital or any particular rate of capital or income return, in each case, on any Notes.

### **No authorisation**

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the offering of the Notes. The Issuer makes no representation or warranty to and assumes no responsibility for the authenticity, origin, validity, accuracy or completeness of, or any errors or omissions in, any accompanying, previous or subsequent material or presentation, except as the Issuer expressly sets out or states in such material or presentation. Any information or representation not contained in this Information Memorandum or as otherwise authorised in writing by the Issuer must not be relied upon as having been authorised by or on behalf of the Issuer, the Arranger, the Dealers or any of the Agents.

## **Intending purchasers to make independent investment decision and obtain professional advice**

This Information Memorandum contains only summary information concerning the Programme and the Notes. Neither the information contained in this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes is intended to provide the basis of any credit or other evaluation in respect of the Issuer or any Notes and should not be considered or relied on as a recommendation or a statement of opinion (or a report of either of those things) by any of the Issuer, the Arranger, the Dealers or any Agent that any recipient of this Information Memorandum or any other information supplied in connection with the Programme or the issue of any Notes should acquire, subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Each investor contemplating acquiring, subscribing for, purchasing or otherwise dealing in any Notes or any rights in respect of any Notes should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer and the risks of an investment in any Notes;
- determine for themselves the relevance of the information contained in this Information Memorandum (including all information incorporated by reference and forming part of this Information Memorandum) and any other information supplied in connection with the Programme or the issue of any Notes, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own financial, legal, tax and professional advisers concerning the application of any tax laws applicable to their particular circumstances.

No accounting, regulatory, investment, legal, tax or other professional advice is given in respect of the legal or taxation treatment of investors or purchasers in connection with an investment in any Notes or rights in respect of them and each investor is advised to consult its own professional adviser.

## **Risks**

Neither this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes describes the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

## **No offer**

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Arranger, the Dealers or the Agents to any person in any jurisdiction to subscribe for, purchase or otherwise deal in any Notes.

## **Selling restrictions and no disclosure**

Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”). No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia (“**Corporations Act**”).

This Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act.

The distribution and use of this Information Memorandum, including any Pricing Supplement, advertisement or other offering material, and the offer or sale of Notes may be restricted by law or directive in certain jurisdictions and intending purchasers and other investors should inform themselves

about them and observe any such restrictions. In particular, no action has been taken by any of the Issuer, the Arranger, the Dealers or any Agents which would permit a public offering of any Notes or distribution of this Information Memorandum or any such document in any jurisdiction where action for that purpose is required.

The Issuer, the Arranger, the Dealers and the Agents do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and directives and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes except if the offer or invitation, or distribution or publication, complies with all applicable laws and directives.

For a description of certain restrictions on offers, sales and deliveries of the Notes, and on distribution of this Information Memorandum, any Pricing Supplement or other offering material relating to the Notes, see the section entitled "Selling Restrictions" below.

### **No registration in the United States of America**

The Notes have not been, and will not be, registered under the Securities Act. The Notes may not be offered, sold, delivered or transferred, at any time, within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act.

### **Agency and distribution arrangements**

The Issuer has agreed to pay fees to the Agents for undertaking their respective roles and reimburse them for certain of their expenses incurred in connection with the Programme and the offer and sale of Notes.

The Issuer may also pay a Dealer a fee in respect of the Notes subscribed by it, may agree to reimburse the Dealers for certain expenses incurred in connection with this Programme and may indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes.

The Issuer, the Arranger, the Dealers and the Agents, and their respective related entities, directors, officers and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes.

### **References to credit ratings**

There are references to credit ratings in this Information Memorandum. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant assigning organisation. Each credit rating should be evaluated independently of any other credit rating.

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and*

*anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.*

## **References to currencies**

In this Information Memorandum, references to “**A\$**” or “**Australian dollars**” are to the lawful currency of the Commonwealth of Australia and references to “**€**”, “**Euro**”, “**EUR**” or “**euro**” 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.

## **Currency of information**

The information contained in this Information Memorandum has been prepared by the Issuer and is correct and complete as at the Preparation Date (as defined below). Neither the delivery or distribution of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it is correct, that any other information supplied in connection with the Programme or the issue of Notes is correct or that there has not been any change (adverse or otherwise) in the financial conditions or affairs of the Issuer at any time subsequent to the Preparation Date. In particular, the Issuer is not under any obligation to any person to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, “**Preparation Date**” means:

- in relation to this Information Memorandum, the date indicated on its face or, if this Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to any registration documents incorporated in this Information Memorandum, the date up to, or as at, the date on which such registration documents relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.



## Summary of the Programme

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*The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, the applicable Conditions and any relevant Pricing Supplement. A term used below but not otherwise defined has the meaning given to it in the Conditions and a reference to a "Condition" is a reference to the correspondingly numbered condition in the Conditions. A reference to a "Pricing Supplement" does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to a particular Tranche or Series of Notes.*

Issuer: BPCE ("**Issuer**")

Programme description: A non-underwritten medium term note programme under which, subject to applicable laws, regulations and directives, the Issuer may elect to issue medium term notes and other debt securities (collectively referred to as "**Notes**") in the Australian domestic capital market in registered uncertificated form.

Subject to all applicable laws, regulations and directives, the Issuer may issue Notes in any country including Australia and countries in Europe and Asia but not in the United States of America unless such Notes are registered under the Securities Act or an exemption from the registration requirements is available.

Programme Amount: A\$5,000,000,000 (or its equivalent in other currencies and as that amount may be increased from time to time).

Programme Term: The term of the Programme continues until terminated by the Issuer giving 30 days notice to the Arranger and the Dealers then appointed to the Programme generally or earlier by agreement between all parties to the Dealer Agreement dated 3 October 2013, as amended or supplemented from time to time ("**Dealer Agreement**").

Arranger: National Australia Bank Limited

Dealers: Australia and New Zealand Banking Group Limited  
Commonwealth Bank of Australia  
National Australia Bank Limited  
NATIXIS  
Westpac Banking Corporation

Contact details and particulars of the ABN and AFSL for each of the above named Arranger and Dealers are set out in the in the section entitled "Directory" below.

Additional Dealers may be appointed by the Issuer from time to time for a specific Tranche or Series of Notes only or to the Programme generally.

Registrar: BTA Institutional Services Australia Limited (ABN 48 002 916 396) and/or any other person appointed by the Issuer to perform registry functions and establish and maintain a Register (as defined below) in or outside Australia on the Issuer's behalf from time to time ("**Registrar**"). Details of additional appointments in respect of a Tranche or Series of Notes will be notified in the relevant Pricing Supplement.

Issue and Paying Agent:	BTA Institutional Services Australia Limited (ABN 48 002 916 396) and/or such other person appointed by the Issuer to act as issuing agent or paying agent on the Issuer's behalf from time to time in Australia in respect of a Tranche or Series of Notes (" <b>Issue and Paying Agent</b> ") as will be notified in the relevant Pricing Supplement.
Calculation Agents:	If a Calculation Agent is required for the purpose of calculating any amount or making any determination under a Note, such appointment will be notified in the relevant Pricing Supplement. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest, principal and other payments in respect of the relevant Notes will be made by the Issuer.
Agents:	Each Registrar, Issue and Paying Agent, Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to any Tranche or Series of Notes (details of such appointment may be set out in the relevant Pricing Supplement).
Form of Notes:	Notes will be issued in registered uncertificated form and will be debt obligations of the Issuer which are constituted by, and owing under, the Note Deed Poll dated 3 October 2013, as amended or supplemented from time to time, or such other deed poll executed by the Issuer as may be specified in an applicable Pricing Supplement (each a " <b>Deed Poll</b> ").  Notes take the form of entries in a register (" <b>Register</b> ") maintained by the Registrar.
Status and ranking:	The Notes may be either Senior Notes or Subordinated Notes and the Senior Notes may be either Senior Preferred Notes or Senior Non-Preferred Notes, in each case as specified in the relevant Pricing Supplement.

## 1. Senior Preferred Notes

Principal and interest on Senior Preferred Notes constitute direct, unconditional, senior (*chirographaires*) and, subject to Condition 5 ("Negative pledge"), unsecured obligations of the Issuer and rank, and will rank, at all times (i) *pari passu* among themselves and with other Senior Preferred Obligations of the Issuer, (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations and (iii) junior to all present and future claims benefitting from statutory preferences.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the holders of Senior Preferred Notes will have a right to payment under the Senior Preferred Notes (A) only after, and subject to, payment in full of holders of present and future claims benefitting from statutory preferences or otherwise ranking in priority to Senior Preferred Obligations and (B) subject to such payment in full, in priority to holders of Senior Non-Preferred Obligations and other present and future claims otherwise ranking junior to Senior Preferred Obligations.

## 2. Senior Non-Preferred Notes

Senior Non-Preferred Notes are issued pursuant to the provisions of Article L.613-30-3-I-4° of the French Monetary and Financial Code and constitute Senior Non-Preferred Obligations.

Principal and interest on Senior Non-Preferred Notes constitute direct, unconditional, senior (*chirographaires*) and unsecured obligations of the Issuer and rank, at all times (i) *pari passu* among themselves and with other Senior Non-Preferred Obligations of the Issuer, (ii) senior to Subordinated Obligations of the Issuer and (iii) junior to Senior Preferred Obligations of the Issuer and all present and future claims benefiting from statutory preferences.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, the holders of Senior Non-Preferred Notes will have a right to payment under the Senior Non-Preferred Notes (A) only after, and subject to, payment in full of holders of Senior Preferred Obligations and other present and future claims benefiting from statutory preferences or otherwise ranking in priority to Senior Non-Preferred Obligations and (B) subject to such payment in full, in priority to holders of Subordinated Obligations of the Issuer and other present and future claims otherwise ranking junior to Senior Non-Preferred Obligations.

It is the intention of the Issuer that the Senior Non-Preferred Notes shall be treated, for regulatory purposes, as MREL/TLAC Eligible Instruments under the Applicable MREL/TLAC Regulations but that the obligations of the Issuer and the rights of the holders of Senior Non-Preferred Notes under the Senior Non-Preferred Notes shall not be affected if the Senior Non-Preferred Notes no longer qualify as MREL/TLAC Eligible Instruments. However, in such circumstances, the Issuer may redeem the Senior Non-Preferred Notes in accordance with Condition 11.8 (“Early redemption for MREL/TLAC Disqualification Event (MREL/TLAC Disqualification Event Call)”).

### **3. Subordinated Notes**

Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French Commercial Code.

Principal and interest on the Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking (i) junior to all Senior Obligations, (ii) *pari passu* without any preference among themselves, (iii) *pari passu* with any Subordinated Obligations of the Issuer and (iv) senior to any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*).

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes shall be subordinated to the payment in full of creditors (including depositors) in respect of Senior Obligations and, subject to such payment in full, the holders of the Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*).

In the event of incomplete payment of Senior Obligations, the obligations of the Issuer in connection with the Subordinated Notes will be terminated.

The holders of the Subordinated Notes shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

It is the intention of the Issuer that the Subordinated Notes shall, for supervisory purposes, be treated as Tier 2 Capital but that the obligations of the Issuer and the rights of the holders of Subordinated Notes under the Subordinated Notes shall not be affected if the Subordinated Notes no longer qualify as Tier 2 Capital. However, the Issuer may redeem the Subordinated Notes in accordance with Condition 11.9 ("Early redemption for Capital Event").

**Bail-in:** By its acquisition of the Notes, each Noteholder (which for the purpose of this paragraph, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of any Bail-in Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Notes;
  - (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and
- (b) that the Conditions of the Notes are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-in Power by the Relevant Resolution Authority.

**Negative pledge:** The terms of the Senior Preferred Notes will contain a negative pledge provision as further described in Condition 5 ("Negative pledge").

There is no negative pledge in respect of the Senior Non-Preferred Notes and the Subordinated Notes.

Events of Default: The terms of the Senior Preferred Notes will contain events of default as further described in Condition 15 ("Events of Default").

There are no events of default in respect of the Senior Non-Preferred Notes and the Subordinated Notes which would lead to an acceleration of the Senior Non-Preferred Notes or the Subordinated Notes if certain events occur. However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason prior to maturity, then the Senior Non-Preferred Notes and the Subordinated Notes would become immediately due and payable subject to the terms of Condition 4 ("Status and ranking").

Issuance in Series: Notes will be issued in Series. Each Series may comprise one or more Tranches having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest). The Notes of each Tranche of a Series are intended to be fungible with the other Tranches of Notes of that Series to the extent permitted by law or directive.

Maturities: Subject to all applicable laws and directives

- (a) Senior Preferred Notes may have any maturity as may be specified in the applicable Pricing Supplement or as may be agreed between the Issuer and the relevant purchasing Dealer;
- (b) Senior Non-Preferred Notes may have a maturity of at least one year from the Issue Date and may have no fixed maturity; and
- (c) Subordinated Notes shall have a maturity of at least five years from the Issue Date and may have no fixed maturity.

Redemption prior to maturity: (a) Senior Preferred Notes may, or in the case of (iii) below, will, be redeemed prior to maturity:

- (i) at the option of the Issuer if the Pricing Supplement specifies that an Issuer call applies;
- (ii) at the option of the Issuer in the case of a Withholding Tax Event;
- (iii) in the case of a Gross-Up Event or illegality; and
- (iv) at the option of Noteholders if the Pricing Supplement specifies that a Noteholder put applies.

(b) Senior Non-Preferred Notes may be redeemed prior to maturity (subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and subject to the prior consent of the Relevant Regulator and/or Relevant Resolution Authority if required):

- (i) at the option of the Issuer if the Pricing Supplement specifies that an Issuer call or MREL/TLAC Disqualification Event Call applies; and
- (ii) at the option of the Issuer in the case of a Withholding Tax Event.

(c) Subordinated Notes may be redeemed prior to maturity (subject to certain conditions including in particular the prior approval of the Relevant Regulator):

- (i) at the option of the Issuer if the Pricing Supplement specifies that an Issuer call applies; and
- (ii) at the option of the Issuer in the case of a Withholding Tax Event, Tax Deductibility Event or a Capital Event.

See Condition 11 (“Redemption and purchase”) for further details of the conditions for redemption of the Notes prior to maturity.

**Currencies:** Subject to all applicable laws and directives, Notes will be denominated in Australian dollars or such other freely tradeable currency or currencies as may be specified in the relevant Pricing Supplement.

**Issue Price:** Notes may be issued at any price on a fully or partly paid basis, as specified in the relevant Pricing Supplement.

**Interest:** Notes may or may not bear interest. Interest (if any) may be at a fixed, floating or other variable rate and may vary during the lifetime of the relevant Series.

**Denominations:** Subject to all applicable laws and directives, Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement.

**Clearing Systems:** Notes may be transacted either within or outside any Clearing System (as defined below).

The Issuer may apply to Austraclear Ltd (ABN 94 002 060 773) (“**Austraclear**”) for approval for Notes to be traded on the clearing and settlement system operated by it (“**Austraclear System**”). Upon approval by Austraclear, the Notes will be traded through Austraclear in accordance with the rules and regulations of the Austraclear System.

Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Notes.

Transactions relating to interests in the Notes may also be carried out through the settlement system operated by Euroclear Bank SA/NV (“**Euroclear**”), the settlement system operated by Clearstream Banking S.A. (“**Clearstream**”) or any other clearing system outside Australia specified in the relevant Pricing Supplement (the Austraclear System, Euroclear, Clearstream and any other clearing system specified in the relevant Pricing Supplement, each a “**Clearing System**”).

Interests in the Notes traded in the Austraclear System may be held for the benefit of Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in Notes in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in Notes in Clearstream would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream.

The rights of a holder of interests in a Note held through Euroclear or Clearstream are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, the terms and conditions of agreements between Euroclear and Clearstream and their respective nominee and the rules and regulations of the Austraclear System. In addition,

any transfer of interests in a Note, which is held through Euroclear or Clearstream will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act and the requirements for minimum consideration as set out in the Conditions and as summarised in the section entitled "Transfer procedure" below.

The Issuer will not be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.

**Title:** Entry of the name of the person in the Register in respect of a Note in registered form constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of that Note subject to correction for fraud or proven error.

Title to Notes which are held in a Clearing System will be determined in accordance with the rules and regulations of the relevant Clearing System.

Notes which are held in the Austraclear System will be registered in the name of Austraclear.

No certificates in respect of any Notes will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or directive.

Title to other Notes which are not lodged in a Clearing System will depend on the form of those Notes as specified in the relevant Pricing Supplement.

**Other Notes:** The Issuer may from time to time issue Notes in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of Note that the Issuer and any relevant Dealer(s) or other investor(s) may agree to issue under this Programme will be set out in the relevant Pricing Supplement or another supplement to this Information Memorandum.

**Payments and Record Date:** Payments to persons who hold Notes through a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System.

If Notes are not lodged in a Clearing System, then payments in respect of those Notes will be made to the account of the registered holder noted in the Register as at 5.00pm in the place where the Register is maintained on the relevant Record Date. If no account is notified, then payments will be made by cheque mailed on the Business Day immediately preceding the relevant payment date to the registered holder at its address appearing in the Register on the Record Date or in such other manner as the Issuer considers appropriate.

The Record Date is 5.00pm in the place where the Register is maintained on the eighth calendar day before a payment date or such other period specified in the relevant Pricing Supplement.

**Selling restrictions:** The offer, sale and delivery of Notes and the distribution of this Information Memorandum and other material in relation to any Notes are subject to such restrictions as may apply in any country in connection with the offer and sale of a particular Tranche or Series of Notes. In particular, restrictions on the offer, sale or delivery of Notes in Australia, France, the United Kingdom, the United States of America, Hong Kong, Japan, Singapore and the European Economic Area are set out in the section entitled "Selling Restrictions" below.

Transfer procedure: Notes may only be transferred in whole but not in part and in accordance with the Conditions.

In particular, Notes may only be transferred if:

- (a) in the case of Notes to be transferred in, or into, Australia:
  - (i) the offer or invitation giving rise to the transfer is for an aggregate consideration of at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates to the transferee) or does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
  - (ii) the transfer does not constitute an offer to a “retail client” for the purposes of section 761G of the Corporations Act; and
  - (iii) the transfer complies with Banking (Exemption) Order No. 82 as if it applied to the Issuer *mutatis mutandis* (and which, as at the date of this Information Memorandum, requires all offers and transfers of any parcels of Notes to be for an aggregate principal amount of at least A\$500,000); and
- (b) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

Transfers of Notes held in a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System.

Stamp duty: Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors.

As at the date of this Information Memorandum, no *ad valorem* stamp duty is payable in any Australian State or Territory on the issue, transfer or redemption of the Notes. However, investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Notes, or interests in Notes, in any jurisdiction.

Taxes, withholdings and deductions: ***Investors should obtain their own taxation and other applicable advice regarding the tax status of investing in any Notes (see the section entitled “Taxation” below for a further commentary).***

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future Taxes unless such withholding or deduction is required by law. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 13 (“Taxation”), be required to pay additional amounts to cover the amounts so deducted.

A brief overview of the Australian and French taxation treatment of payments of interest on Notes is set out in the section entitled “Taxation” below.

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (as amended, including any current or future United States Treasury regulations and other guidance issued and any agreements entered into thereunder) (“**FATCA**”) imposes a reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States,



(ii) “foreign passthru payments” made to certain non-U.S. financial institutions that do not comply with this reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. Whilst the Notes are in global or dematerialised form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. 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. Prospective investors should refer to the section entitled “Taxation – Foreign Account Tax Compliance Act” below.

Listing:	<p>It is not currently intended that the Notes will be listed on any stock exchange.</p> <p>An application may be made for the Issuer to be admitted to the official list of, and/or Notes of a particular Series to be quoted on, the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (“<b>ASX</b>”) or on any other stock or securities exchange (in accordance with applicable laws and directives).</p> <p>Any Notes which are quoted on the ASX will not be transferred through, or registered on, the Clearing House Electronic Subregister System (“<b>CHES</b>”) operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of that system. Interest in the Notes will instead be held in, and transferable through, the Austraclear System.</p> <p>The applicable Pricing Supplement in respect of the issue of any Tranche of Notes will specify whether or not such Notes will be quoted on any stock or securities exchange.</p>
Governing law:	The Notes and all related documentation will be governed by, and construed in accordance with, the laws of New South Wales, Australia, provided, however, that Condition 4 (“Status and ranking”) will be governed by, and construed in accordance with, French law.
Use of proceeds:	The net proceeds from each issue of Notes will be used by the Issuer for its general corporate purposes.
Credit rating:	Notes to be issued under the Programme may be rated by one or more rating agencies. The credit rating of an individual Tranche or Series of Notes will be specified in the relevant Pricing Supplement for those Notes (or another supplement to this Information Memorandum).

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

*Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.*

***Investors to obtain independent advice with respect to investment and other risks:***

***This Information Memorandum does not describe the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal, tax and other professional advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.***

## Description of the Issuer

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### BPCE

BPCE, collectively with its subsidiaries known as Groupe BPCE, is a French limited liability company (*société anonyme*) governed by a Management Board (*Directoire*) and a Supervisory Board (*Conseil de Surveillance*). The Issuer is governed by laws of France.

The share capital of BPCE is owned jointly and equally by the 15 Banque Populaire banks and the 16 Caisses d'Epargne.

BPCE was registered under registration number 493 455 042 with the Paris Trade and Companies Registry on 22 January 2007 and was granted approval as a bank by the Committee of credit institutions and investment companies (*Comité des établissements de crédit et des entreprises d'investissement*) of the *Banque de France* (now the Prudential supervisory authority (*Autorité de contrôle prudentiel et de résolution*)) on 23 June 2009. BPCE's registered office is at 50 avenue Pierre Mendès-France, 75201 Paris Cedex 13, France. The telephone number of BPCE is +33 (0)1 58 40 41 42.

BPCE has a two-tier governance structure, with a Supervisory Board with 19 members comprising seven members from the Caisses d'Epargne, seven members from the Banque Populaire banks and three independent members (each elected by the voting shareholders) as well as two employees' representatives appointed by the trade unions representing the group's employees, and a Management Board that is appointed by the Supervisory Board.

BPCE is the central institution of Groupe BPCE which is the second largest retail banking group in France.

### Groupe BPCE

Groupe BPCE comprises the Banque Populaire network, the Caisse d'Epargne network, the BPCE central institution and its subsidiaries.

The Groupe BPCE is the result of the merger, on 31 July 2009, of the Groupe Banque Populaire and the Groupe Caisse d'Epargne.

### The two banking networks: the Banque Populaire banks and the Caisses d'Epargne

Groupe BPCE is a cooperative group whose shareholders own the two local retail banking networks, the 15 Banque Populaire banks and the 16 Caisses d'Epargne. Each of the two networks owns an equal share in BPCE, the group's central institution.

### BPCE

BPCE's corporate mission embodies the continuity of the cooperative principles underlying the Banque Populaire banks and the Caisses d'Epargne.

Specifically, BPCE represents the interests of its various affiliates in dealings with the supervisory authorities, defines the range of products and services offered by them, organises depositor protection, approves key appointments of company directors and oversees the smooth functioning of the group's institutions.

As a holding company, BPCE is the head entity of the group and holds the joint ventures between the two networks in retail banking, corporate banking and financial services, and their production units. It defines the group's corporate strategy and growth and expansion policies.

Pursuant to Article L. 512-107-6 of the French Monetary and Financial Code (*Code monétaire et financier*), the guarantee and solidarity mechanism was set up to ensure the liquidity and capital

adequacy of the group and its associates, and to organize financial support within the Banque Populaire and Caisse d'Epargne networks.

BPCE is tasked with taking all measures necessary to guarantee the capital adequacy of the group and each of the networks, including implementing the appropriate internal financing mechanisms within the group and establishing a Mutual Guarantee Fund common to both networks, for which it determines the operating rules, the conditions for the provision of financial support to the existing funds of the two networks, as well as the contributions of associates to the fund's initial capital endowment and reconstitution.

BPCE manages the Banque Populaire network Fund and the Caisse d'Epargne Network Fund and has put in place the Mutual Guarantee Fund.

BPCE's main subsidiaries are organised around three major segments:

- Natixis, a listed company that combines Wholesale Banking, Investment Solutions and Specialised Financial Services;
- Commercial Banking and Insurance (including Crédit Foncier, Banque Palatine and BPCE International et Outre-mer); and
- subsidiaries and Equity interests.

In respect of the group's Financial functions, BPCE is responsible, in particular, for the centralised management of surplus funds, for the execution of any financial transactions required to develop and fund the group, and for choosing the most appropriate counterparty for these transactions in the broader interests of the group. BPCE also provides banking services to the other group entities.

## **Principal Business and Markets**

The Groupe BPCE has two core business lines: commercial banking and insurance (primarily the Banque Populaire and Caisse d'Epargne retail banking networks, as well as real estate financing through Crédit Foncier de France, insurance, international banking and certain other banking activities), and Wholesale Banking, Investment Solutions and Specialised Financial Services (conducted by Natixis).

In addition to the core business lines, the Groupe BPCE has equity interests in a number of other entities, including Coface, a world leader in credit insurance. The remainder of the Groupe BPCE's business consists of corporate centre activities (including BPCE's activities as central institution of the Groupe BPCE).

## **Core Business Lines**

### *Commercial Banking and Insurance*

The commercial banking and insurance business line includes the activities of the Banques Populaires and Caisses d'Epargne retail banking networks, activities relating to real estate financing (mainly through Crédit Foncier de France) and insurance, international banking and certain other banking activities. This core business line includes:

- The Banques Populaire network, which has a leading position with small and medium enterprises, professional customers as well as individuals.
- The Caisses d'Epargne network, which has a leading role with individual customers as well as professionals, and a strong historic presence in regional development banking (primarily public sector financing and public housing).
- Insurance and other networks, which includes the activities of the Crédit Foncier group, Groupe BPCE's non-controlling interest in CNP Assurances, BPCE International (BPCE I) and Banque Palatine a French bank that provides mainly wealth management services.

### *Wholesale Banking, Investment Solutions and Specialised Financial Services*

This business line is conducted by Natixis. Natixis is the wholesale banking, investment management and specialised financial arm of Groupe BPCE. Its shares are listed on the Paris stock exchange. Natixis is a French *société anonyme à Conseil d'Administration* (a limited liability company with a Board of Directors) and a credit institution licensed as a bank in France, with its registered office at 30 avenue Pierre Mendès France, 75013 Paris, France.

Natixis includes:

- corporate and investment banking for large corporate and institutional customers;
- investment solutions, including asset management, insurance private banking and private equity; and
- specialised financial services, including factoring, leasing, consumer finance, sureties and guarantees, employee benefits planning, payments and securities services.

# EU Bank Resolution and Recovery Directive

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## The French Supervisory Banking Authorities

In France, the *Autorité de contrôle prudentiel et de résolution* (“**ACPR**”) was created in September 2013 to supervise financial institutions and insurance firms and be in charge of ensuring the protection of consumers and the stability of the financial system. On 15 October 2013, the European Union adopted Regulation (EU) No 1024/2013 establishing a single supervisory mechanism for credit institutions of the Eurozone and opt-in countries (the “**ECB Single Supervisory Mechanism**”), which has conferred specific tasks on the European Central Bank (the “**ECB**”) concerning policies relating to the prudential supervision of credit institutions. This European regulation has given to the ECB, in conjunction with the relevant national regulatory authorities, direct supervisory authority for certain European credit institutions and banking groups, including the Groupe BPCE.

Since 4 November 2014, the ECB has fully assumed supervisory tasks and responsibilities within the framework of the ECB Single Supervisory Mechanism, in close cooperation, in France, with the ACPR (each of the ACPR and the ECB is hereinafter referred to as a “**Supervisory Banking Authority**”).

## The Resolution Authority

Since 1 January 2016, a single resolution board (the “**Single Resolution Board**”) established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism and a single resolution fund (the “**Single Resolution Mechanism Regulation**”), together with national authorities, are in charge of resolution planning and preparation of resolution decisions for cross-border credit institutions and banking groups as well as credit institutions and banking groups directly supervised by the ECB, such as the Groupe BPCE.

Since 1 January 2015, certain of the powers of the ACPR with respect to resolution planning have already been transferred to the Single Resolution Board (each of the ACPR and the Single Resolution Board is hereinafter referred to as a “**Resolution Authority**”), which is intended to act in close cooperation with the national resolution authorities, including the ACPR for France, which will remain responsible *inter alia* for implementing the resolution plan according to the Single Resolution Board’s instructions.

## Resolution Measures

On 15 May 2014, the Parliament and the Council of the European Union adopted the Directive 2014/59/EU of the Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”). The stated aim for the BRRD is to provide relevant resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers’ exposure to losses.

The BRRD was implemented in France through a decree-law (*Ordonnance portant diverses dispositions d’adaptation de la législation au droit de l’Union européenne en matière financière*) dated 20 August 2015.

### *Resolution*

Under the decree-law, the Resolution Authority may commence resolution proceedings in respect of an institution when the Resolution Authority determines that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that another action will prevent the failure within a reasonable time, and (c) a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution: (i) to ensure the continuity of critical functions, (ii) to avoid a significant adverse effect on the financial system, (iii) to protect public funds by minimising reliance on extraordinary public financial support, and (iv) to protect client funds and assets, and in particular those of depositors.

Failure of an institution means that it does not respect requirements for continuing authorisation, it is unable to pay its debts or other liabilities when they fall due, it requires extraordinary public financial support (subject to limited exceptions), or the value of its liabilities exceeds the value of its assets.

After resolution proceedings are commenced, the Resolution Authority may use one or more of several resolution tools with a view to recapitalizing or restoring the viability of the institution. Resolution tools are to be implemented so that shareholders bear losses first, then holders of capital instruments qualifying as additional tier 1 and tier 2 instruments, and thereafter creditors bear losses in accordance with the order of their claims in normal insolvency proceedings, subject to certain exceptions.

#### *Bail-in Tool*

Once a resolution procedure is initiated, the powers provided to the Resolution Authority include the “**Bail-in Tool**”, meaning the power to write down liabilities such as eligible liabilities of a credit institution in resolution, or to convert them to equity. Eligible liabilities include subordinated debt instruments not qualifying as capital instruments and senior unsecured debt instruments. The Bail-in Tool may also be applied to any liabilities that are capital instruments and that remain outstanding at the time the Bail-in Tool is applied.

Before the Resolution Authority may exercise the Bail-in Tool in respect of eligible liabilities, capital instruments must first be written down or converted to equity or other instruments, in the following order of priority: (i) common equity tier 1 instruments are to be written down first, (ii) other capital instruments (additional tier 1 instruments) are to be written down or converted into common equity tier 1 instruments, and (iii) tier 2 capital instruments are to be written down or converted to common equity tier 1 instruments. Once this has occurred, the Bail-in Tool may be used to write down or convert eligible liabilities as follows: (i) subordinated debt instruments other than capital instruments are to be written down or converted into common equity tier 1 instruments in accordance with the hierarchy of claims in normal insolvency proceedings, and (ii) other eligible liabilities are to be written down or converted into common equity tier 1 instruments, in accordance with the hierarchy of claims in normal insolvency proceedings. Instruments of the same ranking are generally written down or converted to equity on a pro rata basis.

To ensure that the Bail-in Tool will be effective if it is ever needed, since 1 January 2016, institutions are required to maintain a minimum level of own funds and eligible liabilities, calculated as a percentage of their total liabilities and own funds. The percentage is determined for each institution by the Resolution Authority. This minimum level is known as the “minimum requirement for own funds and eligible liabilities” or “**MREL**”.

#### *Write-down and Conversion of Capital instruments*

Capital instruments may be written down or converted to equity or other instruments either in connection with (and prior to) the opening of a resolution proceeding, or in certain other cases (without a resolution proceeding). The Resolution Authority must write down capital instruments, or convert them to equity or other instruments, if it determines that the conditions for the initiation of a resolution procedure have been satisfied, the viability of the issuing institution or its group depends on such write down or conversion, or the issuing institution or its group requires extraordinary public support (subject to certain exceptions). The principal amount of capital instruments may also be written down or converted to equity or other instruments if (i) the issuing institution or the group to which it belongs is failing or likely to fail and the write-down or conversion is necessary to avoid such failure, (ii) the viability of the institution depends on the write-down or conversion (and there is no reasonable perspective that another measure, including a resolution measure, could avoid the failure of the issuing institution or its group in a reasonable time), or (iii) the institution or its group requires extraordinary public support (subject to certain exceptions).

#### *Other resolution measures*

The Resolution Authority is also provided with broad powers to implement other resolution measures with respect to failing institutions or, under certain circumstances, their groups, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in

respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a temporary administrator (*administrateur spécial*) and the issuance of new equity or own funds.

#### *Limitation on Enforcement*

Article 68 of BRRD, as transposed in France, provides that certain crisis prevention measures and crisis management measures, including the opening of a resolution proceeding in respect of the Issuer, may not by themselves give rise to a contractual enforcement right against the Issuer or the right to modify the Issuer's obligations, so long as the Issuer continues to meet its payment obligations. Accordingly, if a resolution proceeding is opened in respect of the Issuer, holders of the Notes will not have the right to declare an Event of Default, to accelerate the maturity of the Notes, to exercise other enforcement rights in respect of the Notes or to modify the terms of the Notes, so long as the Issuer continues to meet its payment obligations. Similarly, holders of Notes will not have the right to take enforcement actions so long as the Issuer continues to meet its payment obligations, although such rights are in any event limited by the absence of any events of default with respect to the Senior Non-Preferred Notes.

#### *Recovery and resolution plans*

Each institution or group must prepare a recovery plan (*plan préventif de rétablissement*) that will be reviewed by the Supervisory Banking Authority. This obligation should not arise with respect to an entity within the group that is already supervised on a consolidated basis. The Relevant Resolution Authority is in turn required to prepare a resolution plan (*plan préventif de résolution*) for such institution or group:

- (a) Recovery plans must set out measures contemplated in case of a significant deterioration of an institution's financial situation. Such plans must be updated on a yearly basis (or immediately following a significant change in an institution's organisation or business). The Supervisory Banking Authority must assess the recovery plan to determine whether the implementation of the arrangements proposed is reasonably likely to maintain or restore the viability and financial position of the institution or of the group, also review whether the plan could impede the resolution powers if a resolution is commenced, and, as necessary, can require modifications or request changes in an institution's organisation.
- (b) Resolution plans prepared by the Relevant Resolution Authority must set out, in advance of any failure, how the various resolution powers set out above are to be implemented for each institution, given its specific circumstances. Such plans must also be updated on a yearly basis (or immediately following a significant change in an institution's organisation or business).

#### *The Single Resolution Fund*

As of 1 January 2016, the Single Resolution Mechanism Regulation provides for the establishment of a single resolution fund that may be used by the Single Resolution Board to support a resolution plan (the "**Single Resolution Fund**"). The Single Resolution Fund has replaced national resolution funds implemented pursuant to the BRRD with respect to significant banks such as the Issuer. This Single Resolution Fund is financed by contributions raised from banks (such contributions are based on the amount of each bank's liabilities, excluding own funds and covered deposits, and adjusted for risks). The Single Resolution Fund will be gradually built up during an eight-year period (2016-2023) and shall reach at least 1% of covered deposits by 31 December 2023. At 30 June 2017, the Single Resolution Fund had €17.4 billion available.



# Conditions of the Notes

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*The following are the conditions which, as supplemented, amended, modified or replaced by an applicable Pricing Supplement, apply to each Note constituted by the Deed Poll (“**Conditions**”). References to the “Pricing Supplement” in these conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the Pricing Supplement in relation to a particular Series of Notes.*

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## 1 Interpretation

### 1.1 Definitions

In these Conditions the following expressions have the following meanings:

**Additional Amount** means an additional amount payable by the Issuer under Condition 13.2 (“Withholding tax”);

**Agency Agreement** means:

- (a) the agreement entitled “Agency and Registry Services Agreement” and dated 3 October 2013 between the Issuer and BTA Institutional Services Australia Limited (ABN 48 002 916 396);
- (b) any other agreement between the Issuer and a Registrar in relation to the establishment and maintenance of a Register (and/or the performance of any payment or other duties) for any issue of Notes; and/or
- (c) any other agency agreement between the Issuer and an Agent in connection with any issue of Notes;

**Agent** means each of the Registrar, the Issue and Paying Agent, the Calculation Agent and any additional agent appointed under an Agency Agreement, or any of them as the context requires;

**Amortised Face Amount** means, in respect of a Zero Coupon Note, an amount equal to the sum of:

- (a) the Reference Price specified in the Pricing Supplement; and
- (b) the amount resulting from the application of the Accrual Yield specified in the Pricing Supplement (compounded annually) to the Reference Price from (and including) the Issue Date to (but excluding) the later of:
  - (i) the date fixed for redemption or (as the case may be) the earlier date the Note becomes due and repayable; and
  - (ii) the date on which payment is made to Noteholder under Condition 11.13 (“Late payment”),

as further adjusted, if applicable, in the manner specified in the Pricing Supplement;

If the calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year must be made on the basis of the Day Count Fraction specified in the Pricing Supplement;

**Amounts Due** has the meaning given in Condition 23.1 (“Acknowledgment”);

**Applicable Banking Regulations** means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in France including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of, and as applied by, the Relevant Regulator;

**Applicable MREL/TLAC Regulations** means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to:

- (a) MREL; and
- (b) the principles set forth in the FSB TLAC Term Sheet or any successor principles.

If there are separate laws, regulations, requirements, guidelines and policies giving effect to the principles described in paragraphs (a) and (b) above, then “**Applicable MREL/TLAC Regulations**” means all such regulations, requirements, guidelines and policies;

**Austraclear** means Austraclear Ltd (ABN 94 002 060 773);

**Austraclear Regulations** means the regulations known as the “Austraclear Regulations”, together with any instructions or directions, (as amended or replaced from time to time) established by Austraclear to govern the use of the Austraclear System and binding on the participants in that system;

**Austraclear System** means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system;

**Bail-in Power** has the meaning given in Condition 23.2 (“Bail-in Power”);

**BRRD** means Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms;

**Business Day** means:

- (a) a day on which banks are open for general banking business in Sydney, Paris and in each (if any) Relevant Financial Centre specified in the Pricing Supplement (not being a Saturday, Sunday or public holiday in that place); and
- (b) if a Note to be held in a Clearing System is to be issued or a payment is to be made in respect of a Note held in any Clearing System on that day, a day on which each applicable Clearing System in which the relevant Note is lodged is operating;

**Business Day Convention** means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following conventions, where specified in the Pricing Supplement in relation to any date applicable to any Note, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
  - (i) that date is brought forward to the first preceding day that is a Business Day; and
  - (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date occurred;

- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no convention is specified in the Pricing Supplement, the Following Business Day Convention applies. Different conventions may be specified in relation to, or apply to, different dates;

**Calculation Agent** means, in respect of a Note, any person appointed by the Issuer under an Agency Agreement and specified in the Pricing Supplement as the party responsible for calculating the Interest Rate and other amounts required to be calculated under these Conditions;

**Capital Event** means a change in the regulatory classification of the Subordinated Notes, that was not reasonably foreseeable at the Issue Date, as a result of which the Subordinated Notes would be fully excluded from Tier 2 Capital;

**Clearing System** means:

- (a) the Austraclear System; or
- (b) any other clearing system outside Australia specified in the Pricing Supplement;

**Conditions** means, in relation to a Note, these terms and conditions as amended, supplemented, modified or replaced by the Pricing Supplement applicable to such Note and references to a particular numbered Condition shall be construed accordingly;

**CRD IV** means, taken together, the (i) CRD IV Directive and (ii) CRD IV Regulation;

**CRD IV Directive** means the Directive (2013/36/EU) of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

**CRD IV Regulation** means the Regulation (2013/575) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

**Day Count Fraction** means, in respect of the calculation of interest on a Note for any period of time ("**Calculation Period**"), the day count fraction specified in the Pricing Supplement and:

- (a) if "**Actual/Actual (ICMA)**" is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year; and

- (ii) where the Calculation Period is longer than one Regular Period, the sum of:
  - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
  - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and
- “**D<sub>2</sub>**” 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (f) if “**30E/360**” or “**Eurobond basis**” is so specified, means the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and
- “**D<sub>2</sub>**” 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 D<sub>2</sub> will be 30;

- (g) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**D<sub>1</sub>**” 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 D<sub>1</sub> will be 30; and
- “**D<sub>2</sub>**” 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 D<sub>2</sub> will be 30; and

- (h) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation

Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:

- (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
- (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

**Deed Poll** means:

- (a) the deed poll entitled “Note Deed Poll” dated 3 October 2013; and
- (b) such other deed poll that supplements, amends, restates, modifies or replaces the deed poll referred to above, or which is otherwise acknowledged in writing to be a deed poll for the purposes of the Programme,

in each case, executed by the Issuer;

**Denomination** means the notional face value of a Note specified in the Pricing Supplement;

**Early Redemption Amount** means the early redemption amount specified in, or determined in accordance with, the Pricing Supplement;

**Event of Default** means an event so described in Condition 15 (“Events of Default”);

**Extraordinary Resolution** has the meaning given in the Meetings Provisions;

**FATCA** means Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (including any current or future United States Treasury regulations and other guidance issued and any agreements entered into thereunder);

**FATCA Withholding Tax Rules** means (i) any tax imposed under FATCA and (ii) any tax imposed by any jurisdiction pursuant to an intergovernmental agreement to improve tax compliance and to implement FATCA entered into between any relevant authorities on behalf of the United States and such jurisdiction;

**Fixed Rate Note** means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the Pricing Supplement;

**Floating Rate Note** means a Note on which interest is calculated at a floating rate payable monthly or 2, 3, 6, or 12 monthly or in respect of any other period or on any other date specified in the Pricing Supplement;

**French Commercial Code** means the French Commercial Code (*Code de commerce*);

**French Monetary and Financial Code** means the French Monetary and Financial Code (*Code monétaire et financier*);

**FSB TLAC Term Sheet** means the Total Loss Absorbing Capacity (TLAC) term sheet set forth in the document dated 9 November 2015 published by the Financial Stability Board, entitled “Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution,” as amended from time to time;

**Gross-Up Event** has the meaning given in Condition 11.4(b) (“Early redemption for taxation reasons”);

**Index Linked Note** means a Note in respect of which the amount payable in respect of interest is calculated by reference to an index or a formula (other than any index or formula relating to equity securities) or both as specified in the Pricing Supplement;

**Information Memorandum** means, in respect of a Note:

- (a) the Information Memorandum dated 8 September 2017 or the then latest information memorandum which replaces the document; or
- (b) the information memorandum or other offering document referred to in the Pricing Supplement,

in each case, prepared by, or on behalf of, and approved in writing by, the Issuer in connection with the issue of that Note and all documents incorporated by reference in it, including any applicable Pricing Supplement and any other applicable amendments or supplements to it;

**Instalment Amounts** has the meaning given in the Pricing Supplement;

**Instalment Date** has the meaning given in the Pricing Supplement;

**Instalment Note** means a Note which is redeemable in one or more instalments, as specified in the Pricing Supplement;

**Interest Commencement Date** means, in respect of a Note, the Issue Date of the Note or any other date so specified in the Pricing Supplement;

**Interest Determination Date** means each date so specified in, or determined in accordance with, the Pricing Supplement;

**Interest Payment Date** means each date so specified in, or determined in accordance with, the Pricing Supplement;

**Interest Period** means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date;

**Interest Rate** means, in respect of a Note, the interest rate (expressed as a percentage per annum) payable in respect of that Note specified in the Pricing Supplement or calculated or determined in accordance with these Conditions and the Pricing Supplement;

**Internal Revenue Code** means the U.S. Internal Revenue Code of 1986, as amended;

**ISDA Definitions** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series);

**Issue and Paying Agent** means:

- (a) BTA Institutional Services Australia Limited (ABN 48 002 916 396); and/or
- (b) any other person appointed by the Issuer under an Agency Agreement and specified in the relevant Pricing Supplement to perform issue and paying agency functions on the Issuer's behalf with respect to a Series or Tranche of Notes;

**Issue Date** means, in respect of a Note, the date on which the Note is, or is to be issued, and as may be specified, or determined, in accordance with, the Pricing Supplement;

**Issue Price** means the price as set out in the Pricing Supplement;

**Issuer** means BPCE;

**Margin** means the margin specified in, or determined in accordance with, the Pricing Supplement;

**Maturity Date** means, in respect of a Note, the date so specified in, or determined in accordance with, the Pricing Supplement as the date on which the Note is to be redeemed (and adjusted, if necessary, in accordance with the applicable “Business Day Convention” so specified in the Pricing Supplement);

**Meetings Provisions** means the provisions relating to meetings of Noteholders and set out as a schedule to the Deed Poll;

**MREL** means the “minimum requirement for own funds and eligible liabilities” for banking institutions under the BRRD, as set in accordance with Article 45 of the BRRD (as transposed in article L.613-44 of the French Monetary and Financial Code) and Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, or any successor requirement;

**MREL/TLAC Disqualification Event** means at any time that all or part of the outstanding nominal amount of the Senior Non-Preferred Notes of a Series does not fully qualify as MREL/TLAC Eligible Instruments, except where such non-qualification was reasonably foreseeable at the Issue Date or is due to the remaining maturity of such Notes being less than any period prescribed by the Applicable MREL/TLAC Regulations;

**MREL/TLAC Eligible Instruments** means an instrument that is eligible to be counted towards the MREL of the Issuer and that constitutes a TLAC-eligible instrument of the Issuer (within the meaning of the FSB TLAC Term Sheet), in each case in accordance with Applicable MREL/TLAC Regulations;

**Note** means each form of bond, note, debt security, or debt obligation specified in an applicable Pricing Supplement and issued or to be issued by the Issuer which is constituted by, and owing under, the Deed Poll and the details of which are recorded in, and evidenced by entry in, the Register. A Note may either be a Senior Note or a Subordinated Note. References to any particular type of “Note” or “Notes” shall be read and construed accordingly. All references to Notes must, unless the context otherwise requires, be read and construed as references to the Notes of a particular Series;

**Noteholder** means, in respect of a Note, each person whose name is entered in the Register as the holder of that Note;

**Partly Paid Note** means a Note in relation to which the initial subscription moneys are payable to the Issuer in two or more instalments;

**Pricing Supplement** means, in respect of a Tranche, the supplement specifying the relevant issue details in relation to that Tranche and which may be substantially in the form set out in the Information Memorandum, duly completed and signed by the Issuer;

**Programme** means the Issuer’s uncommitted programme for the issuance of Notes described in the Information Memorandum;

**Record Date** means 5.00pm in the place where the Register is maintained on the date which is the eighth calendar day before the payment date or any other date so specified in the Pricing Supplement;



**Redemption Amount** means:

- (a) for a Note (other than a Zero Coupon Note), the outstanding principal amount as at the date of redemption; and
- (b) for a Zero Coupon Note, the Amortised Face Amount calculated as at the date of redemption,

and also includes any final instalment and any other amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions;

**Redemption Date** means, in respect of a Note, such date on which the Note is redeemed prior to its Maturity Date in accordance with these Conditions;

**Reference Banks** means the institutions so described in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**Reference Rate** means the rate specified in, or determined in accordance with, the Pricing Supplement;

**Register** means the register, including any branch register, of Noteholders of Notes established and maintained by the Issuer, or by a Registrar on its behalf under an Agency Agreement;

**Registrar** means:

- (a) BTA Institutional Services Australia Limited (ABN 48 002 916 396); and/or
- (b) any other person appointed by the Issuer under a relevant Agency Agreement to establish and maintain the Register in respect of a Tranche of Notes on the Issuer's behalf from time to time;

**Regular Period** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

**Regulated Entity** means any entity referred to in Section I of Article L. 613-34 of the French Monetary and Financial Code as modified by the 20 August 2015 Decree Law, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France;

**Related Entity** has the meaning given in the Corporations Act as though it applied to the Issuer *mutatis mutandis*;

**Relevant Financial Centre** means Sydney, Paris and/or any other centre specified in the Pricing Supplement;

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

**Relevant Resolution Authority** means the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation);

**Relevant Screen Page** means:

- (a) the page, section or other part of a particular information service specified as the Relevant Screen Page in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**Relevant Time** has the meaning given in the Pricing Supplement;

**Security Record** has the meaning given in the Austraclear Regulations;

**Senior Non-Preferred Note** has the meaning given in Condition 4.1(b) ("Status of Senior Non-Preferred Notes");

**Senior Non-Preferred Obligations** means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-4° of the French Monetary and Financial Code;

**Senior Note** means each Note specified as such in an applicable Pricing Supplement. Senior Notes may either be Senior Preferred Notes or Senior Non-Preferred Notes, as specified in the applicable Pricing Supplement. All references to Senior Notes must, unless the context otherwise requires, be read and construed as references to the Senior Notes of a particular Series;

**Senior Obligations** means all unsecured and unsubordinated obligations of the Issuer, and all other obligations expressed to rank senior to the Subordinated Notes, as provided by their terms or by law;

**Senior Preferred Note** has the meaning given in Condition 4.1(a) ("Status of Senior Preferred Notes");

**Senior Preferred Obligations** means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in L.613-30-3-I-3° of the French Monetary and Financial Code. For the avoidance of doubt, all unsubordinated debt securities issued by the Issuer prior to the entry into force of Article L.613-30-3-I-4° of the French Monetary and Financial Code constitute Senior Preferred Obligations;

**Series** means an issue of Notes made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Price, Issue Date and Interest Commencement Date may be different in respect of a different Tranche of a Series;

**Single Resolution Mechanism Regulation** has the meaning given in Condition 23.2 (“Bail-in Power”);

**Special Event** means either a Tax Event or a Capital Event;

**Specified Office** means the office specified in the Information Memorandum or any other address notified to Noteholders from time to time;

**Structured Note** means:

- (a) an Index Linked Note; or
- (b) an Instalment Note;

**Subordinated Note** means each Note specified as such in an applicable Pricing Supplement. All references to Subordinated Notes must, unless the context otherwise requires, be read and construed as references to the Subordinated Notes of a particular Series;

**Subordinated Obligations** means any subordinated obligations or other instruments issued by the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer but rank in priority to *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés” or engagements subordonnés de dernier rang*);

**Tax Authority** means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official, having power to tax to which the Issuer becomes subject in respect of payments made by it of principal or interest in respect of the Notes;

**Tax Deductibility Event** has the meaning given in Condition 11.4(c) (“Early redemption for taxation reasons”);

**Tax Event** means either a Withholding Tax Event or a Tax Deductibility Event;

**Tax Jurisdiction** means the Republic of France or any other jurisdiction in which the Issuer or any of its successors, following a merger or similar event, is or becomes organised or resident for tax purposes, or any political subdivision or taxing authority in or of any of the foregoing;

**Taxes** means taxes, levies, withholdings, deductions, assessments or governmental charges of whatever nature imposed or levied by any Tax Authority together with any related interest, penalties, fines and expenses in connection with them except if imposed on, or calculated having regard to, the net income of a Noteholder;

**Tier 2 Capital** means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time for the purposes of the Issuer;

**Tranche** means an issue of Notes specified as such in the Pricing Supplement issued on the same Issue Date and on the same Conditions;

**Withholding Tax Event** has the meaning given in Condition 11.4(a) (“Early redemption for taxation reasons”); and

**Zero Coupon Note** means a Note which does not carry entitlement to periodic payment of interest before the redemption date of the Note and which is issued at a discount to its principal amount.

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons (other than the Noteholders) is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) a “**law**” includes common law, principles of equity, decree and any statute or other law made by any parliament (and a statute or other law made by parliament includes any regulation and other instrument under it and any consolidation, amendment, re-enactment or replacement of it);
- (d) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (e) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of Australia;
- (f) “**€**”, “**Euro**”, “**EUR**” or “**euro**” is a reference 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;
- (g) a time of day is a reference to Sydney time;
- (h) a “**person**” includes an individual, corporation, company, firm, tribunal, undertaking, association, organisation, partnership, joint venture, trust, limited liability company, unincorporated organisation or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity;
- (i) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (j) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (k) a reference to the “**Corporations Act**” is to the Corporations Act 2001 of Australia;
- (l) anything (including any amount) is a reference to the whole and each part of it; and
- (m) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

## 1.3 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an Agency Agreement is a reference to each Agency Agreement applicable to the Notes of the relevant Series;
- (b) a reference to an Agent is a reference to each Agent appointed to act in respect of Notes of the relevant Series;
- (c) a reference to the Deed Poll is a reference to the Deed Poll applicable to the Notes of the relevant Series;
- (d) a reference to a Note is a reference to a Note of a particular Series specified in the Pricing Supplement;

- (e) a reference to a Noteholder is a reference to the holder of Notes of a particular Series;
- (f) a reference to a Pricing Supplement is a reference to the Pricing Supplement applicable to the Notes of the particular Tranche specified in that Pricing Supplement;
- (g) if the Notes are Zero Coupon Notes or Structured Notes which do not bear interest, references to interest are not applicable; and
- (h) a reference to a particular date is a reference to that date adjusted in accordance with the applicable Business Day Convention.

#### **1.4 References to principal and interest**

Unless the contrary intention appears, in these Conditions:

- (a) any reference to "principal" is taken to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 ("Taxation"), any premium payable in respect of a Note, and any other amount in the nature of principal payable in respect of the Notes under these Conditions;
- (b) the principal amount of a Note issued at a discount is to be taken as at any time to equal the lesser of:
  - (i) its Denomination; and
  - (ii) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of a Note which is to vary by reference to a schedule or formula (where such determination has been previously made in accordance with these Conditions) is to be taken as at any time to equal its varied amount;
- (d) the principal amount of a Partly Paid Note is to be taken to equal its paid up principal amount;
- (e) the principal amount of an Instalment Note at any time is to be taken to be its Denomination less the total instalments repaid to the extent that such instalments relate to a repayment of principal; and
- (f) any reference to "interest" is taken to include any Additional Amounts and any other amount in the nature of interest payable in respect of the Notes under these Conditions.

#### **1.5 Number**

The singular includes the plural and vice versa.

#### **1.6 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

#### **1.7 Terms defined in Pricing Supplement**

Terms which are defined in the Pricing Supplement as having a defined meaning have the same meaning when used in these Conditions but if the Pricing Supplement gives no meaning or specifies that the definition is "Not Applicable", then that definition is not applicable to the Notes.

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## **2 Introduction**

### **2.1 Programme**

Notes are issued under the Programme.

### **2.2 Pricing Supplement**

- (a) Notes are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical (other than, to the extent relevant, in respect of the Issue Price, Issue Date and Interest Commencement Date).
- (b) The Issuer will issue Notes on the terms set out in these Conditions as supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes. If there is any inconsistency between these Conditions and the Pricing Supplement, the Pricing Supplement prevails.
- (c) Copies of the Pricing Supplement are available for inspection or upon request by a Noteholder or prospective Noteholder during normal business hours at the Specified Office of the Issuer or the Registrar or are otherwise available on reasonable request from the Issuer or the Registrar.

### **2.3 Types of Notes**

A Note is either:

- (a) a Fixed Rate Note;
- (b) a Floating Rate Note;
- (c) a Zero Coupon Note; or
- (d) a Structured Note,

or a combination of the above (or any other type of debt obligation, including a certificate of deposit), as specified in the Pricing Supplement.

### **2.4 Issue restrictions**

Unless otherwise specified in the Pricing Supplement, Notes may only be offered (directly or indirectly) for issue, or applications invited for the issue of Notes, if:

- (a) where the offer or invitation is made in, or into, Australia:
  - (i) the aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
  - (ii) the offer or invitation (including any resulting issue) does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
  - (iii) the Notes the subject of the offer or invitation, when issued, have an aggregate principal amount of at least A\$500,000; and

- (b) at all times, the offer or invitation (including any resulting issue) complies with all applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

## **2.5 Denomination**

Notes are issued in such Denomination(s) as specified in the Pricing Supplement.

## **2.6 Currency**

Subject to compliance with all applicable legal and regulatory requirements, Notes may be denominated in Australian dollars or such other freely transferable and freely available currency or currencies as specified in the Pricing Supplement.

## **2.7 Clearing Systems**

If the Notes are held in a Clearing System, the rights of a person holding an interest in the Notes lodged in the Clearing System are subject to the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

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# **3 Form**

## **3.1 Constitution**

- (a) Notes are debt obligations of the Issuer constituted by, and owing under, the Deed Poll and the details of which are recorded in, and evidenced by entry in, the Register.
- (b) Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Deed Poll.

## **3.2 Form**

Notes are issued in registered uncertificated form by entry in the Register.

## **3.3 No certificates**

No certificates in respect of any Notes will be issued to Noteholders unless the Issuer determines that certificates should be available or are required by any applicable law or directive.

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# **4 Status and ranking**

## **4.1 Status and ranking of Senior Notes**

Senior Notes may be Senior Preferred Notes or Senior Non-Preferred Notes, as specified in an applicable Pricing Supplement.

- (a) *Status of Senior Preferred Notes*

*This Condition 4.1(a) applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes.*

If the Notes are “**Senior Preferred Notes**”, principal and interest on the Senior Preferred Notes constitute direct, unconditional, senior (*chirographaires*) and, subject to Condition 5 (“Negative pledge”), unsecured obligations of the Issuer and rank, and will rank, at all times:

- (i) *pari passu* among themselves and with other Senior Preferred Obligations of the Issuer;
- (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and
- (iii) junior to all present and future claims benefitting from statutory preferences.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the Noteholders will have a right to payment under the Senior Preferred Notes:

- (A) only after, and subject to, payment in full of holders of present and future claims benefitting from statutory preferences or otherwise ranking in priority to Senior Preferred Obligations; and
- (B) subject to such payment in full, in priority to holders of Senior Non-Preferred Obligations and other present and future claims otherwise ranking junior to Senior Preferred Obligations.

(b) *Status of Senior Non-Preferred Notes*

*This Condition 4.1(b) applies to the Notes only if the Pricing Supplement states that the Notes are Senior Non-Preferred Notes.*

Senior Non-Preferred Notes are issued pursuant to the provisions of Article L.613-30-3–I-4° of the French Monetary and Financial Code and constitute Senior Non-Preferred Obligations.

If the Notes are “**Senior Non-Preferred Notes**”, principal and interest on the Senior Non-Preferred Notes constitute direct, unconditional, senior (*chirographaires*) and unsecured obligations of the Issuer and rank, and will rank, at all times:

- (i) *pari passu* among themselves and with other Senior Non-Preferred Obligations of the Issuer;
- (ii) senior to Subordinated Obligations of the Issuer; and
- (iii) junior to Senior Preferred Obligations of the Issuer and all present and future claims benefitting from statutory preferences.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, the Noteholders will have a right to payment under the Senior Non-Preferred Notes:

- (A) only after, and subject to, payment in full of holders of Senior Preferred Obligations and other present and future claims benefitting from statutory preferences or otherwise ranking in priority to Senior Non-Preferred Obligations; and
- (B) subject to such payment in full, in priority to holders of Subordinated Obligations of the Issuer and other present and future claims otherwise ranking, or expressed to rank, junior to Senior Non-Preferred Obligations.

The Senior Non-Preferred Notes may have no fixed maturity.

It is the intention of the Issuer that the Senior Non-Preferred Notes shall be treated, for regulatory purposes, as MREL/TLAC Eligible Instruments under the Applicable



MREL/TLAC Regulations, but that the obligations of the Issuer and the rights of the Noteholders under the Senior Non-Preferred Notes shall not be affected if the Senior Non-Preferred Notes no longer qualify as MREL/TLAC Eligible Instruments. However, in such circumstances, the Issuer may redeem the Senior Non-Preferred Notes in accordance with Condition 11.8 ("Early redemption for MREL/TLAC Disqualification Event (MREL/TLAC Disqualification Event Call)").

In the event that the Relevant Resolution Authority exercises write down and conversion powers in respect of the Senior Non-Preferred Notes in accordance with Article 48 of the BRRD or any successor requirement, the principal amount of the Senior Non-Preferred Notes shall be written down on a permanent basis or converted to instruments qualifying as common equity tier 1 instruments in accordance with Applicable MREL/TLAC Regulations.

## 4.2 Status and Ranking of Subordinated Notes

*This Condition 4.2 applies to the Notes only if the Pricing Supplement states that the Notes are Subordinated Notes.*

Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French Commercial Code.

Principal and interest on the Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking:

- (a) junior to all Senior Obligations;
- (b) *pari passu* without any preference among themselves;
- (c) *pari passu* with any Subordinated Obligations of the Issuer; and
- (d) senior to any present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer and deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Subordinated Notes shall be subordinated to the payment in full of creditors (including depositors) in respect of Senior Obligations and, subject to such payment in full, the holders of the Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by it and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

The Subordinated Notes may have no fixed maturity.

In the event of incomplete payment of Senior Obligations, the obligations of the Issuer in connection with the Subordinated Notes will be terminated.

The holders of the Subordinated Notes shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

It is the intention of the Issuer that the Subordinated Notes shall, for supervisory purposes, be treated as Tier 2 Capital, but that the obligations of the Issuer and the rights of the Noteholders under the Subordinated Notes shall not be affected if the Subordinated Notes no longer qualify as Tier 2 Capital. However, the Issuer may redeem the Subordinated Notes in accordance with Condition 11.9 ("Early redemption for Capital Event").

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## **5 Negative pledge**

*This Condition 5 applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes. There is no negative pledge in respect of Senior Non-Preferred Notes and Subordinated Notes.*

So long as any of the Senior Preferred Notes remains outstanding, the Issuer will not create or permit to subsist any mortgage, charge, pledge or other security interest upon any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) incurred or guaranteed by the Issuer (whether before or after the issue of the Senior Preferred Notes) unless at the same time or prior thereto the Issuer's obligations under the Senior Preferred Notes are equally and rateably secured with such Relevant Indebtedness or the guarantee thereof.

For the purpose of this Condition 5, "**Relevant Indebtedness**" means any indebtedness for borrowed money, whether or not represented by notes or other securities (including securities initially privately placed) which are for the time being, or are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter-market or other securities market.

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## **6 Title and transfer of Notes**

### **6.1 Title**

Title to a Note passes when details of the transfer are entered in the Register.

### **6.2 Effect of entries in Register**

Each entry in the Register in respect of a Note constitutes:

- (a) an irrevocable undertaking by the Issuer to the Noteholder to:
  - (i) pay principal, any interest and any other amounts in accordance with these Conditions; and
  - (ii) otherwise to comply with the Conditions; and
- (b) an entitlement to the other benefits given to Noteholders under these Conditions in respect of the Note.

### **6.3 Ownership and non-recognition of interests**

- (a) Entries in the Register in relation to a Note constitute conclusive evidence that the person so entered is the absolute owner of such Note subject to correction for fraud or proven error.
- (b) No notice of any trust or other interest in, or claim to, any Note will be entered in a Register. Neither the Issuer nor the relevant Registrar need take notice of any trust or other interest in, or claim to, any Note, except as ordered by a court of competent jurisdiction or required by any applicable law or directive. This Condition 6.3(b) applies whether or not a Note is overdue.

### **6.4 Joint holders**

Where two or more persons are entered in the Register as the joint holders of a Note then they are taken to hold the Note as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of a Note.

## **6.5 Transfer**

Noteholders may only transfer Notes in accordance with these Conditions.

## **6.6 Transfers in whole**

Notes may be transferred in whole but not in part.

## **6.7 Conditions of transfer**

Notes may only be transferred if:

- (a) in the case of Notes to be transferred in, or into, Australia, the offer or invitation giving rise to the transfer:
  - (i) is for an aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
  - (ii) does not constitute an offer or invitation to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
  - (iii) the Notes transferred have an aggregate principal amount of at least A\$500,000; and
- (b) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

## **6.8 Transfer procedures**

- (a) Interests in Notes held in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System. If a Note is lodged in the Austraclear System, neither the Issuer nor the relevant Registrar will recognise any such interest other than the interest of Austraclear as the Noteholder while that Note is lodged in the Austraclear System.
- (b) Application for the transfer of Notes not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Issuer or the Registrar (or such other person as may be specified in a Pricing Supplement) and:
  - (i) each transfer form must be:
    - (A) duly completed and stamped (if applicable);
    - (B) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
    - (C) signed by, or on behalf of, both the transferor and the transferee; and
  - (ii) transfers will be registered without charge provided all applicable Taxes have been paid.
- (c) Noteholders that acquire such Notes in the secondary market shall be deemed to acknowledge, agree to be bound by and consent to these Conditions to the same extent as Noteholders that acquire the Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound

by and consent to Condition 23 ("Agreement with respect to the exercise of Bail-in Power").

#### **6.9 Austraclear as Noteholder**

If Austraclear is recorded in the Register as the Noteholder, each person in whose Security Record a Note is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

- (a) the Registrar's decision to act as the Registrar of that Note is not a recommendation or endorsement by the Registrar or Austraclear in relation to that Note, but only indicates that the Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as Registrar under the Agency Agreement; and
- (b) the Noteholder does not rely on any fact, matter or circumstance contrary to paragraph (a).

#### **6.10 Restrictions on transfers**

Transfers of Notes which are not lodged in a Clearing System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Note is to occur during that period in accordance with these Conditions.

#### **6.11 Effect of transfer**

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred Note and the transferee becomes so entitled in accordance with Condition 6.2 ("Effect of entries in Register").

#### **6.12 CHESS**

Notes which are listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system.

#### **6.13 Estates**

A person becoming entitled to a Note as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the Note or, if so entitled, become registered as the holder of the Note.

#### **6.14 Unincorporated associations**

A transfer of a Note to an unincorporated association is not permitted.

#### **6.15 Transfer of unidentified Notes**

If a Noteholder transfers some but not all of the Notes it holds and the transfer form does not identify the specific Notes transferred, the relevant Registrar may choose which Notes registered in the name of Noteholder have been transferred. However, the aggregate principal amounts of the Notes registered as transferred must equal the aggregate principal amount of the Notes expressed to be transferred in the transfer form.

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## **7 Fixed Rate Notes**

*This Condition 7 applies to the Notes only if the Pricing Supplement states that it applies.*

### **7.1 Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear on each Interest Payment Date.

### **7.2 Fixed Coupon Amount**

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the preceding Interest Period is the Fixed Coupon Amount specified in the Pricing Supplement.

### **7.3 Calculation of interest payable**

The amount of interest payable in respect of a Fixed Rate Note for any period for which a Fixed Coupon Amount is not specified in the Pricing Supplement is calculated by multiplying the Interest Rate for that period, the outstanding principal amount of the Fixed Rate Note and the applicable Day Count Fraction.

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## **8 Floating Rate Notes**

*This Condition 8 applies to the Notes only if the Pricing Supplement states that it applies.*

### **8.1 Interest on Floating Rate Notes**

Each Floating Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, on each date which falls the number of months or other period specified as the "Specified Period" in the Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

### **8.2 Interest Rate determination**

The Interest Rate payable in respect of a Floating Rate Note must be determined by the Calculation Agent in accordance with these Conditions.

### **8.3 Fallback Interest Rate**

Unless otherwise specified in the Pricing Supplement, if, in respect of an Interest Period, the Calculation Agent is unable to determine a rate in accordance with Condition 8.2 ("Interest Rate determination"), the Interest Rate for the Interest Period is the Interest Rate applicable to the Floating Rate Notes during the immediately preceding Interest Period.

### **8.4 ISDA Determination**

Where "ISDA Determination" is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the sum of the Margin and the ISDA Rate.

In this Condition:

- (a) **"ISDA Rate"** for an Interest Period, means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction if the Calculation Agent for the Floating Rate Notes were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (i) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
  - (ii) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction; and
- (b) **"Swap Transaction", "Floating Rate", "Calculation Agent"** (except references to "Calculation Agent for the Floating Rate Notes"), **"Floating Rate Option", "Designated Maturity", "Reset Date", "Period End Date", "Spread"** and **"Floating Rate Day Count Fraction"** have the meanings given to those terms in the ISDA Definitions.

## 8.5 Screen Rate Determination

Where the "Screen Rate Determination" is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the sum of the Margin and the Screen Rate.

In this Condition, **"Screen Rate"** means, for an Interest Period, the quotation offered for the Reference Rate appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date. However:

- (a) if there is more than one offered quotation displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, the **"Screen Rate"** means the rate calculated by the Calculation Agent as the average of the offered quotations. If there are more than five offered quotations, the Calculation Agent must exclude the highest and lowest quotations (or in the case of equality, one of the highest and one of the lowest quotations) from its calculation;
- (b) if an offered quotation is not displayed by the Relevant Time on the Interest Determination Date or if it is displayed but the Calculation Agent determines that there is an obvious error in that rate, the **"Screen Rate"** means:
  - (i) the rate the Calculation Agent calculates as the average mean of the Reference Rates that each Reference Bank quoted to the leading banks in the Relevant Financial Centre specified in the Pricing Supplement at the Relevant Time on the Interest Determination Date; or
  - (ii) where the Calculation Agent is unable to calculate a rate under paragraph (i) because it is unable to obtain at least two quotes, the rate the Calculation Agent calculates as the average of the rates (being the nearest equivalent to the Reference Rate) quoted by two or more banks chosen by the Calculation Agent in the Relevant Financial Centre at approximately the Relevant Time on the Interest Determination Date for a period equivalent to the Interest Period to leading banks carrying on business in the Relevant Financial Centre in good faith; or
- (c) if the Pricing Supplement specifies an alternative method for the determination of the Screen Rate Determination, then that alternative method applies.

## 8.6 BBSW Rate Determination

Where “BBSW Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the BBSW Rate.

In this Condition, “**BBSW Rate**” means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVG MID” on the Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any page that replaces that page) at approximately 10.15 am (or such other time at which such rate customarily appears on that page) on the first day of that Interest Period (being the “**Publication Time**”). However, if such rate does not appear on the Reuters Screen BBSW Page (or any page that replaces that page) by 10.30 am on that day (or such other time that is 15 minutes after the then prevailing Publication Time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, “**BBSW Rate**” means the rate determined by the Calculation Agent having regard to comparable indices then available. The rate calculated or determined by the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

## 8.7 Interpolation

If the Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Interest Rate for that Interest Period is determined through the use of straight line interpolation by reference to two ISDA Rates, Screen Rates, BBSW Rates or other floating rates specified in the Pricing Supplement.

The first rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

The second rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

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## 9 Structured Notes

*This Condition 9 applies to the Notes only if the Pricing Supplement states that it applies.*

### 9.1 Interest on Structured Notes

Each interest bearing Structured Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, on each date which falls the number of months or other period specified as the Specified Period in the Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

### 9.2 Interest Rate

The Interest Rate payable in respect of an interest bearing Structured Note must be determined in the manner specified in the Pricing Supplement.

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**10 General provisions applicable to interest****10.1 Maximum or Minimum Interest Rate**

If the Pricing Supplement specifies a “Maximum Interest Rate” or “Minimum Interest Rate” for any Interest Period, the Interest Rate for the Interest Period must not be greater than the maximum, or be less than the minimum, so specified.

**10.2 Calculation of Interest Rate and interest payable**

- (a) The Calculation Agent must, in relation to each Interest Period for each Floating Rate Note and interest bearing Structured Note,
  - (i) calculate the Interest Rate in accordance with these Conditions and the Pricing Supplement; and
  - (ii) as soon as practicable after determining the Interest Rate, calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of that Note.
- (b) Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the product of the Interest Rate for the Interest Period and the outstanding principal amount of the Note by the applicable Day Count Fraction.
- (c) The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

**10.3 Calculation of other amounts**

If the Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the amount in the manner specified in the Pricing Supplement.

**10.4 Notification of Interest Rate, interest payable and other items**

- (a) The Calculation Agent must notify the Issuer, the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded of:
  - (i) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the Interest Payment Date; and
  - (ii) any amendment to any amount, item or date referred to in paragraph (i) arising from any extension or reduction in any Interest Period or calculation period.
- (b) The Calculation Agent must give notice under this Condition as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the Interest Period.
- (c) The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Issuer, the Registrar, the Noteholders, each other Agent and each stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded after doing so.



## **10.5 Determination final**

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it under these Conditions is, in the absence of manifest error, final and binding on the Issuer, the Registrar, each Noteholder and each other Agent.

## **10.6 Rounding**

For the purposes of any calculations required under these Conditions (unless otherwise specified in these Conditions or in the Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures resulting from the calculations must be rounded to five decimal places (with 0.000005 being rounded up to 0.00001); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to:
  - (i) in the case of Australian dollars, one cent; and
  - (ii) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency.

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## **11 Redemption and purchase**

### **11.1 Redemption on maturity**

Each Note is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the Note has been previously redeemed;
- (b) the Note has been purchased and cancelled; or
- (c) the Pricing Supplement states that the Note has no fixed Maturity Date.

### **11.2 Partly paid Notes**

Each Partly Paid Note is redeemable on the Maturity Date in accordance with the Conditions and Pricing Supplement.

### **11.3 Instalment Notes**

Each Instalment Note is partially redeemable in the Instalment Amounts and on the Instalment Dates specified in the Pricing Supplement. The principal amount of each Instalment Note is reduced by the Instalment Amount with effect from the related Instalment Date.

### **11.4 Early redemption for taxation reasons**

- (a) The Issuer may redeem all (but not some) of the Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if, as a result of any change in, or in the official interpretation or administration of, any laws or regulations of a Tax Jurisdiction or any other authority thereof or therein, becoming effective on or after the Issue Date, the Issuer would, on the next due date for payment of any interest in respect of the Notes, be required to pay Additional Amounts in respect of interest in connection with a

Series of Notes under Condition 13.2 (“Withholding tax”) (a “**Withholding Tax Event**”).

However, the Issuer may only do so on any Interest Payment Date, or if so specified in the relevant Pricing Supplement, at any time, subject to the Issuer having given not more than 45 nor less than 30 days’ prior notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded and provided that the Redemption Date shall be no earlier than the latest practicable date on which the Issuer could make such payment of interest without withholding for such taxes, and provided further that the obligation to pay such Additional Amounts could not have been avoided by measures generally available to the Issuer.

In the case of Subordinated Notes, the Issuer’s ability to redeem Subordinated Notes is subject to Condition 11.10 (“Additional conditions to redemption of Subordinated Notes”) and subject to demonstrating to the satisfaction of the Relevant Regulator that the change is material and was not reasonably foreseeable at the Issue Date of the relevant Series of Subordinated Notes.

In the case of Senior Non-Preferred Notes, the Issuer’s ability to redeem Senior Non-Preferred Notes is subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority, if required.

*This Condition 11.4(b) applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes.*

- (b) The Issuer will redeem all (but not some) of the Senior Preferred Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if, the Issuer would on the next due date for payment of any interest in respect of a given Series of Senior Preferred Notes, be prevented by the law of a Tax Jurisdiction from making payment under such Senior Preferred Notes, notwithstanding the undertaking to pay Additional Amounts in respect of interest in connection with the Senior Preferred Notes under Condition 13.2 (“Withholding tax”) (a “**Gross-Up Event**”).

However, the Issuer may only do so if the Issuer has given notice of such fact to the Registrar and has given at least seven days’ notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Senior Preferred Notes are listed, quoted and/or traded.

For the purposes of this Condition 11.4(b), “**Redemption Date**” means:

- (i) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount of interest then due and payable in respect of such Senior Preferred Notes provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of:
  - (A) the latest practicable date on which the Issuer could make payment of the full amount of interest then due and payable in respect of such Senior Preferred Notes; and
  - (B) 14 days after giving notice to the Registrar as aforesaid; or
- (ii) if so specified in the relevant Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of such Senior Preferred Notes or, if that date is passed, as soon as practicable thereafter.

*This Condition 11.4(c) applies to the Notes only if the Pricing Supplement states that the Notes are Subordinated Notes.*

- (c) The Issuer may, at its option, redeem all (but not some) of the Subordinated Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if by reason of any change in the French laws or regulations or any change in the application or official interpretation of such laws or regulations, or any other change in the tax treatment of a given Series of Subordinated Notes which is required by law or which is requested in writing by a competent tax authority, becoming effective on or after the Issuer Date, the tax regime of any payments under such Subordinated Notes is modified and such modification results in the part of the interest payable by the Issuer under such Subordinated Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”).

However, the Issuer may only do so:

- (i) if the Issuer has given notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Subordinated Notes are listed, quoted and/or traded and provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable not being impacted by the reduction in tax deductibility giving rise to the Tax Deductibility Event;
- (ii) subject to Condition 11.10 (“Additional conditions to redemption of Subordinated Notes”); and
- (iii) subject to demonstrating to the satisfaction of the Relevant Regulator that the change is material and was not reasonably foreseeable at the Issue Date of the relevant Series of Subordinated Notes.

## **11.5 Early redemption for illegality**

*This Condition 11.5 applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes.*

The Issuer will redeem all (but not some) of the Senior Preferred Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date 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 will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Senior Preferred Notes (an “**Illegality Event**”).

However, the Issuer may only do so subject to the Issuer having given not more than 45 nor less than 30 days’ notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Senior Preferred Notes are listed, quoted and/or traded.

## **11.6 Early redemption at the option of Noteholders (Noteholder put)**

*This Condition 11.6 applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes and that this Condition 11.6 applies. In the case of Senior Non-Preferred Notes and Subordinated Notes, no redemption of the Notes at the option of the Noteholders is permitted.*

If the relevant Pricing Supplement states that a Noteholder may require the Issuer to redeem all or some of the Senior Preferred Notes of a Series held by that Noteholder before their Maturity Date under this Condition 11.6, the Issuer must redeem the Senior Preferred Notes

specified by the Noteholder at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if the following conditions are satisfied:

- (a) the amount of Senior Preferred Notes to be redeemed is a multiple of their Denomination;
- (b) the Noteholder has given at least 10 days and no more than 30 days (or any other period specified in the Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Specified Office of the Registrar together with any evidence the Registrar may require to establish title of the Noteholder to the Senior Preferred Note;
- (c) the notice referred to in paragraph (b) specifies an account in the country of the currency in which the Senior Preferred Note is denominated to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the Redemption Date is an “Early Redemption Date (Put)” specified in the Pricing Supplement; and
- (e) any other relevant condition specified in the Pricing Supplement is satisfied.

A Noteholder may not require the Issuer to redeem any Senior Preferred Note under this Condition 11.6 if the Issuer has given notice that it will redeem that Senior Preferred Note under Condition 11.4 (“Early redemption for taxation reasons”), Condition 11.5 (“Early redemption for illegality”) or Condition 11.7 (“Early redemption at the option of the Issuer (Issuer call)”).

#### **11.7 Early redemption at the option of the Issuer (Issuer call)**

*This Condition 11.7 applies to the Notes only if the Pricing Supplement states that it applies.*

If the Pricing Supplement states that the Issuer may redeem all or some of the Notes of a Series before their Maturity Date under this Condition, the Issuer may redeem so many of the Notes specified in the Pricing Supplement at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if:

- (a) the amount of Notes to be redeemed is, or is a multiple of, their Denomination;
- (b) the Issuer has given at least 15 days and not more than 60 days (or any other period specified in the Pricing Supplement) notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded;
- (c) the proposed Redemption Date is an Early Redemption Date (Call) specified in the Pricing Supplement; and
- (d) any other relevant condition specified in the Pricing Supplement is satisfied.

In the case of Senior Non-Preferred Notes, redemption at the option of the Issuer is subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority, if required.

In the case of Subordinated Notes, redemption at the option of the Issuer is subject to 11.10 (“Additional conditions to redemption of Subordinated Notes”) and will not be permitted prior to five years from the Issue Date of the relevant Tranche, except in the case of a Capital Event or a Tax Event.

### **11.8 Early redemption for MREL/TLAC Disqualification Event (MREL/TLAC Disqualification Event Call)**

*This Condition 11.8 applies to the Notes only if the Pricing Supplement states that the Notes are Senior Non-Preferred Notes and that this Condition 11.8 applies.*

If the Notes are Senior Non-Preferred Notes and if the relevant Pricing Supplement states that this Condition 11.8 applies, the Issuer may, at its option, at any time and subject to such redemption being permitted by the Applicable MREL/TLAC Regulations and, subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority, if required, redeem all (but not some) of the Senior Non-Preferred Notes of a Series in whole before their Maturity Date on the occurrence of a MREL/TLAC Disqualification Event at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if the Issuer has given at least 30 days and not more than 45 days' notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Senior Non-Preferred Notes are listed, quoted and/or traded.

### **11.9 Early redemption for Capital Event**

*This Condition 11.9 applies to the Notes only if the Pricing Supplement states that the Notes are Subordinated Notes.*

If the Notes are Subordinated Notes, upon the occurrence of a Capital Event, the Issuer may, at its option, at any time but subject to Condition 11.10 ("Additional conditions to redemption of Subordinated Notes"), redeem all (but not some) of the Subordinated Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if the Issuer has given at least 30 days and no more than 45 days' notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Subordinated Notes are listed, quoted and/or traded.

### **11.10 Additional conditions to redemption of Subordinated Notes**

*This Condition 11.10 applies to the Notes only if the Pricing Supplement states that the Notes are Subordinated Notes.*

The Subordinated Notes may only be redeemed, purchased or cancelled (as applicable) pursuant to Condition 11.4(a), Condition 11.4(c) ("Early redemption for taxation reasons"), Condition 11.7 ("Early redemption at the option of the Issuer (Issuer call)"), Condition 11.9 ("Early redemption for Capital Event") or Condition 11.14(b) ("Purchase"), as the case may be, if the Relevant Regulator has given its prior written approval to such redemption or repurchase; in this respect, article 78 of the CRD IV Regulation provides that the Relevant Regulator shall grant permission for a redemption of Subordinated Notes provided that either of the following conditions is met, as applicable to the Subordinated Notes:

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

- (c) in the case of a redemption as a result of a Special Event, the Issuer has delivered a certificate to the Registrar and each other Agent (with copies thereof being available at the Registrar's office during its normal business hours) not less than 5 Business Days prior to the Redemption Date that such Special Event has occurred or will occur no more than 90 days following the Redemption Date, as the case may be.

#### **11.11 Partial redemptions**

If only some of the Notes are to be redeemed under Condition 11.7 ("Early redemption at the option of the Issuer (Issuer call)"), the Notes to be redeemed must be specified in the notice and selected:

- (a) in a fair and reasonable manner under the circumstances of the proposed redemption and having regard to prevailing market practice; and
- (b) in compliance with any applicable law, directive or requirement of any applicable Clearing System and stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded.

#### **11.12 Effect of notice of redemption**

Any notice of redemption given by the Issuer or a Noteholder under this Condition 11 ("Redemption and purchase") is irrevocable.

#### **11.13 Late payment**

If an amount is not paid under this Condition 11 ("Redemption and purchase") when due, then:

- (a) for a Note (other than a Zero Coupon Note or a Structured Note), interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the Noteholder;
- (b) for a Zero Coupon Note, the obligation to pay the amount is replaced by an obligation to pay the Amortised Face Amount recalculated as at the date on which payment is made to the Noteholder; and
- (c) for a Structured Note:
  - (i) interest continues to accrue at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the Noteholder; or
  - (ii) the obligation to pay the amount is replaced by an obligation to pay an amount determined in the manner specified in the Pricing Supplement.

#### **11.14 Purchase**

- (a) In the case of Senior Notes, the Issuer and any of its Related Entities may at any time purchase Senior Notes in the open market or otherwise and at any price in accordance with applicable laws and regulations and, in the case of Senior Non-Preferred Notes, subject to such purchase being permitted by the Applicable MREL/TLAC Regulations and subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority if required. Unless the possibility of holding and reselling is expressly excluded in the Pricing Supplement, all Senior Notes so purchased may be held and resold for the purpose of enhancing the liquidity of the Senior Notes in accordance with Articles L.213-0-1 and D.213-0-1 of the French Monetary and Financial Code. Such Notes may be held, reissued, resold, or at the option of such purchaser, cancelled by notice to the Registrar. Purchases may be

made by tender offers or in any other manner at the discretion of the purchasers, in each case, subject to compliance with any applicable law, directive or requirement of any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded.

- (b) In the case of Subordinated Notes, the Issuer and any of its Related Entities shall have the right at all times on or after the fifth anniversary of the Issue Date of the Subordinated Notes (but subject to Condition 11.10 ("Additional conditions to redemption of Subordinated Notes")) to purchase Subordinated Notes in the open market or otherwise at any price in accordance with applicable laws and regulations.

Notwithstanding the above, the Issuer or any agent on its behalf shall have the right at all times to purchase the Subordinated Notes for market making purposes provided that:

- (i) the prior written approval of the Relevant Regulator shall be obtained; and
- (ii) the total principal amount of the Subordinated Notes in any given Series so purchased does not exceed the lower of:
  - (A) 10 per cent. of the initial aggregate principal amount of Subordinated Notes of such Series and such any further Subordinated Notes issued under Condition 19 ("Further issues"); or
  - (B) 3 per cent. of the Tier 2 Capital of the Issuer from time to time outstanding.

The Subordinated Notes so purchased by or on behalf of the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes.

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## **12 Payments**

### **12.1 Payment of principal**

Payments of principal and any final Instalment Amount in respect of a Note will be made to each person registered at 10.00 am on the payment date as the Noteholder of that Note (or the first person to be registered in the case of joint holders).

### **12.2 Payment of interest**

Payments of interest and Instalment Amounts (other than the final Instalment Amount) in respect of a Note will be made to each person registered at the close of business on the Record Date as the Noteholder of that Note (or the first person to be registered in the case of joint holders).

### **12.3 Payments to accounts**

Payments in respect of the Note will be made in Australia, unless prohibited by law, and:

- (a) if the Note is held in the Austraclear System, by crediting on the payment date, the amount due to:
  - (i) the account of Austraclear (as the Noteholder) in Australia previously notified to the Issuer and the Registrar; or
  - (ii) if requested by Austraclear, the accounts in Australia of the persons in whose Security Record a Note is recorded as previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations; and

- (b) if the Note is not held in the Austraclear System, by crediting on the payment date, the amount then due under each Note to an account in Australia previously notified by the Noteholder to the Issuer and the Registrar.

If a payment in respect of the Note is prohibited by law from being made in Australia, such payment will be made in an international financial centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferable at the order of the payee.

#### **12.4 Payments by cheque**

If the Noteholder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Record Date, payments in respect of the Note will be made in Australia by cheque drawn on a bank in Australia sent by prepaid post on, or on the Business Day immediately before, the payment date, at the risk of the registered Noteholder, to the Noteholder (or to the first named joint holder of the Note) at its address appearing in the Register at the close of business on the Record Date. Cheques sent to the nominated address of a Noteholder are taken to have been received by the Noteholder on the payment date and, no further amount is payable by the Issuer in respect of the Notes as a result of the Noteholder not receiving payment on the due date.

#### **12.5 Payments subject to law**

All payments are subject in all cases to (a) any applicable fiscal or other laws and directives in any jurisdiction but without prejudice to the provisions of Condition 13 ("Taxation") and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Internal Revenue Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Internal Revenue Code, any regulations or agreements thereunder, official interpretations thereof, or (but without prejudice to the provisions of Condition 13 ("Taxation")) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.

#### **12.6 Payments on Business Days**

If a payment is due on a day which is not a Business Day then the due date for payment is adjusted in accordance with the applicable Business Day Convention. The Noteholder is not entitled to any additional payment in respect of such delay.

#### **12.7 Currency indemnity**

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Noteholder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.



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**13 Taxation****13.1 No set-off, counterclaim or deductions**

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future Taxes unless such withholding or deduction is required by law.

**13.2 Withholding tax**

Subject to Condition 13.3 ("Withholding tax exemptions"), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the Notes such that the Noteholder would not actually receive on the due date the full amount provided for under the Notes, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by France or any political subdivision or any authority thereof or therein having power to tax, the Issuer will pay such additional amounts so that, after making the deduction and further deductions applicable to additional amounts payable under the Conditions, each Noteholder is entitled to receive (at the time of payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

**13.3 Withholding tax exemptions**

No Additional Amounts shall be payable under Condition 13.2 ("Withholding tax") with respect to any Note:

- (a) to, or to a third party on behalf of, a Noteholder, who is liable for such Taxes in respect of such Note by reason of having his having some connection with France other than the mere holding of the Note; or
- (b) presented for payment more than 30 days after the relevant date except to the extent that the Noteholder would have been entitled to an Additional Amount on presenting the same for payment on the last day of such 30-day period; for the purpose the "relevant date" means:
  - (i) the date on which such payment first becomes due; or
  - (ii) if the full amount of the moneys payable in respect of all Notes of such Series has not been received by the Issue and Paying Agent or the Registrar, as the case maybe, on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect shall have been duly given to the Noteholders of such Series in accordance with Condition 20 ("Notices").

Notwithstanding any other provisions of these Conditions, if the Issuer, or any other person through whom payments on the Notes are made, is required to withhold or deduct amounts under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall be entitled to make such withholding or deduction and shall have no obligation to gross up any payment under these Conditions or to pay any Additional Amount or other amount for such withholding or deduction.

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**14 Time limit for claims**

A claim against the Issuer for a payment under a Note is void unless made within ten years (in the case of principal) or five years (in the case of interest and other amounts) from the date on which payment first became due.

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**15 Events of Default**

*This Condition 15 applies to the Notes only if the Pricing Supplement states that the Notes are Senior Preferred Notes.*

**15.1 Events of Default**

- (a) Except as otherwise specified in the applicable Pricing Supplement, if Notes are Senior Preferred Notes, any of the following events will constitute an Event of Default:
  - (i) if the Issuer is in default for more than thirty (30) days for the payment of principal of, or interest on, any Note (including the payment of any Additional Amounts), when the same shall become due and payable;
  - (ii) if the Issuer is in default in performance of any of its other obligations under the Notes and such default has not been cured within forty-five (45) days after receipt by the Issuer of written notice of default given by the Noteholder;
  - (iii) the Issuer sells, transfers or otherwise disposes of, directly or indirectly, the whole or a substantial part of its assets, or the Issuer enters into, or commences any proceedings in furtherance of, forced or voluntary liquidation or dissolution, except in the case of a disposal, dissolution, liquidation, merger or other reorganisation in which all of or substantially all of the Issuer's assets are transferred to a legal entity which simultaneously assumes all of the Issuer's debt and liabilities including the Notes and whose main purpose is the continuation of, and which effectively continues, the Issuer's activities;
  - (iv) the performance of any obligation of the Issuer under the Notes contravenes any legal provisions entered into force after the date hereof or contravenes any provision entered into force after the date hereof or contravenes any provision in effect at the date hereof due to a change of interpretation of such provisions by any competent authority; or
  - (v) a judgment is rendered for its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of the business (*cession totale de l'entreprise*) or makes any conveyance for the benefit of, or enters into any agreement with, its creditors or cannot meet its current liabilities out of its current assets.
- (b) There are no events of default under the Senior Non-Preferred Notes and the Subordinated Notes which could lead to an acceleration of such Notes. However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason, then such Notes shall become immediately due and payable.

**15.2 Consequences of an Event of Default**

If an Event of Default occurs and is continuing, any Noteholder may, by written notice to the Issuer, effective upon the date of receipt by the Issuer, declare such Notes held by that Noteholder to be immediately due and payable whereupon such Notes shall become immediately due and payable at their Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind, unless prior to such time the Event of Default has been cured.

### **15.3 Notification**

If an Event of Default occurs (or, in the case of Condition 15.1(a)(ii) (“Events of Default”), would occur with the giving of applicable notice and the lapse of time), the Issuer must promptly after becoming aware of it notify the Registrar of the occurrence of the event (specifying details of it) and use its reasonable endeavours to ensure that the Registrar promptly notifies the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded of the occurrence of the event.

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## **16 Agents**

### **16.1 Role of Agents**

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any Noteholder.

### **16.2 Appointment and replacement of Agents**

Each initial Agent for a Series of Notes is specified in the Pricing Supplement. Subject to Condition 16.4 (“Required Agents”), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

### **16.3 Change of Agent**

Notice of any change of an Agent or its Specified Offices must promptly be given to the Noteholders by the Issuer or the Agent on its behalf.

### **16.4 Required Agents**

The Issuer must, in respect of each Series of Notes:

- (a) at all times maintain a Registrar; and
- (b) if a Calculation Agent is specified in the Pricing Supplement, at all times maintain a Calculation Agent.

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## **17 Meetings of Noteholders**

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the Noteholders of any Series to consider any matter affecting their interests, including any variation of these Conditions.

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## **18 Variation**

### **18.1 Variation with consent**

Unless Condition 18.2 (“Variation without consent”) applies, any Condition may be varied by the Issuer in accordance with the Meetings Provisions.

### **18.2 Variation without consent**

Any Condition may be amended by the Issuer without the consent of the Noteholders if the amendment:

- (a) is of a formal, minor or technical nature;

- (b) is made to correct a manifest error;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and, in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the Noteholders;
- (d) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (e) only applies to Notes issued by it after the date of amendment.

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## **19 Further issues**

The Issuer may from time to time (subject, for Subordinated Notes, to the prior information of the Relevant Regulator), without the consent of the Noteholders, create and issue further Notes having the same Conditions as the Notes of any Series in all respects (or in all respects except for the Issue Price, Issue Date and the first Interest Payment Date) so as to form a single series with the Notes of that Series.

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## **20 Waiver of Set-Off**

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort, whether or not relating to such Note) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 20 is intended to provide, or shall be construed as acknowledging, any right or claim of deduction, set-off, netting, compensation, retention or counterclaim or that any such right or claim is or would be available to any holder of any Note but for this Condition 20.

For purposes of this Condition 20, “**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note.

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## **21 Notices**

### **21.1 To Noteholders**

All notices and other communications to Noteholders must be in writing. Any such notice or other communication may be given by any of the following means:

- (a) an advertisement published in the *Australian Financial Review* or *The Australian*;
- (b) if the Pricing Supplement specifies an additional or alternate newspaper, given by an advertisement published in that newspaper; or
- (c) prepaid post (airmail, if posted from a place outside Australia) or delivery by facsimile to the address or facsimile address, as the case may be, of the Noteholder as shown in the Register at the close of business three Business Days prior to the dispatch of the notice or communication).

## **21.2 To the Issuer and the Agents**

All notices and other communications to the Issuer or an Agent must be in writing and may be left at the address of, or sent by prepaid post (airmail, if appropriate) to, its respective Specified Office or by facsimile to the facsimile number of the addressee specified:

- (a) in the Information Memorandum; or
- (b) as otherwise agreed between those parties from time to time and notified to the Noteholders.

## **21.3 Effective on receipt**

Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is under Condition 21.4 ("Proof of receipt"), except that if it is received under that Condition after 5.00 pm in the place of receipt or on a non-Business Day in that place, it is to be taken to be received at 9.00 am on the next succeeding Business Day in that place.

## **21.4 Proof of receipt**

Subject to Condition 21.3 ("Effective on receipt"), proof of posting a letter, dispatch of a facsimile or publication of a notice is proof of receipt:

- (a) in the case of a letter, on the third (seventh if outside Australia) day after posting;
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report; and
- (c) in the case of publication in a newspaper, on the date of such publication.

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## **22 Governing law, jurisdiction and service of process**

### **22.1 Governing law**

The Notes are governed by, and construed in accordance with, the law in force in New South Wales, Australia, provided, however, that Condition 4 ("Status and ranking") will be governed by, and construed in accordance with, French law.

### **22.2 Jurisdiction**

The Issuer irrevocably and unconditionally submits, and each Noteholder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them. The Issuer waives any right it has to object to any suit, action or proceedings ("**Proceedings**") being brought in those courts including by claiming that the Proceedings have been brought in an inconvenient forum or that those courts do not have jurisdiction.

### **22.3 Serving documents**

Without preventing any other method of service, any document in any Proceedings may be served on the Issuer by being delivered or left with its process agent referred to in clause 22.4 ("Agent for service of process").

### **22.4 Agent for service of process**

For so long as any of the Notes issued by it are outstanding, the Issuer will ensure that there is an agent appointed to accept service of process on its behalf in New South Wales, Australia in

respect of any Proceedings as may be brought in the courts of New South Wales, Australia or the Federal Courts of Australia.

The Issuer appoints Dabserv Corporate Services Pty Ltd (ABN 73 001 824 111) of Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney, New South Wales, 2000, Australia as its agent to receive any document referred to in Condition 22.3 ("Serving documents"). If for any reason that person ceases to be able to act as such, the Issuer will immediately appoint another person with an office located in New South Wales to act as its agent to receive any such document and will promptly notify the Registrar and the Noteholders of such appointment.

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## **23 Agreement with respect to the exercise of Bail-in Power**

### **23.1 Acknowledgement**

By its acquisition of the Notes, each Noteholder (which, for the purposes of this Condition 23, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Notes;
  - (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;
- (b) that the Conditions of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are the principal amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise no longer due.

### **23.2 Bail-in Power**

For these purposes, the "**Bail-in Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time, the "**20 August 2015 Decree Law**"), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and

amending Regulation (EU) No 1093/2010 (as amended from time to time, “**Single Resolution Mechanism Regulation**”), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise.

### **23.3 Payment of interest and other outstanding Amounts Due**

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of its group.

### **23.4 No Event of Default**

Neither a cancellation of the Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes will be an Event of Default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies), which are hereby expressly waived.

### **23.5 Notice to Noteholders**

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Registrar and the Noteholders in accordance with Condition 20 (“Notices”) as soon as practicable regarding such exercise of the Bail-in Power. The Issuer will also deliver a copy of such notice to the other Agents for informational purposes, although such Agent shall not be required to send such notice to Noteholders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in Power.

### **23.6 Duties of the Agents**

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority:

- (a) each Agent shall not be required to take any directions from Noteholders; and
- (b) the Agency Agreement shall impose no duties upon each Agent whatsoever, in each case with respect to the exercise of any Bail-in Power by the Relevant Resolution Authority.

### **23.7 Proration**

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total Amounts Due, unless the relevant Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in Power will be made on a pro-rata basis.

### **23.8 Conditions exhaustive**

The matters set forth in this Condition 23 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.



## Form of Pricing Supplement

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*The Pricing Supplement to be issued in respect of each Tranche of Notes will be substantially in the form set out below.*

Series No.: [●]

Tranche No.: [●]



*(a French limited liability company (société anonyme))*

**A\$5,000,000,000**  
**Australian Medium Term Note Programme**

Issue of

**[A\$][Aggregate Principal Amount of [Senior Preferred Notes / Senior Non-Preferred Notes / Subordinated Notes]]**  
**[Title of Notes] due [●] ("Notes")**

The date of this Pricing Supplement is [●].

This Pricing Supplement (as referred to in the Information Memorandum dated [●] ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of Notes referred to above. It is supplementary to, and should be read in conjunction with, the terms and conditions of the Notes contained in the Information Memorandum ("**Conditions**"), the Information Memorandum and the Note Deed Poll dated [●] made by the Issuer.

Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

*The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia ("**Banking Act**"). The Notes are not obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia. Notes that are offered for issue or sale or transferred in, or into, Australia are offered only in circumstances that would not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia and issued and transferred in compliance with the terms of the exemption from compliance with section 66 of the Banking Act that is available to the Issuer. Such Notes are issued or transferred in, or into, Australia in parcels of not less than A\$500,000 in aggregate principal amount.*

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1	Issuer	:	BPCE
2	Bail-in Power	:	As set out more fully in Condition 23 (“Agreement with respect to the exercise of Bail-in Power”), by subscribing or otherwise acquiring the Notes, the Noteholders shall be bound by the exercise of any Bail-in Power by the Relevant Resolution Authority. See also the sections of the Information Memorandum entitled “ <i>Summary of the Programme – Bail-in Power</i> ” on page [8] and “ <i>EU Bank Resolution and Recovery Directive</i> ” on pages [17 to 19].
3	Type of Notes	:	[Fixed Rate Notes / Floating Rate Notes / Zero Coupon Notes / Structured Notes / <i>specify other</i> ]
4	Status and ranking	:	The Notes are [Senior Preferred Notes / Senior Non-Preferred Notes / Subordinated Notes].
5	Method of Distribution	:	[Private / Syndicated] Issue
6	Lead Manager[s]	:	[ <i>Specify</i> ]
7	Dealer[s]	:	[ <i>Specify</i> ]
8	Registrar	:	[[●] (ABN [●]) / <i>specify other</i> ]
9	Issue and Paying Agent	:	[[●] (ABN [●]) / <i>specify other</i> ]
10	Calculation Agent	:	[[●] (ABN [●]) / <i>specify other</i> ]
11	Series Particulars (Fungibility with other Tranches)	:	[Not Applicable / <i>specify if Tranche is to form a single Series with an existing Series, specify date on which all Notes of the Series become fungible (if no specific future date, specify the Issue Date)</i> ]
12	Principal Amount of Tranche	:	[ <i>Specify</i> ]
13	Issue Date	:	[ <i>Specify</i> ]
14	Issue Price	:	[ <i>Specify</i> ]
15	Currency	:	[A\$ / <i>specify other</i> ]
16	Denomination[s]	:	[ <i>Specify</i> ]
17	Maturity Date	:	[ <i>Specify (in the case of (i) an amortising Notes, insert the date on which the last instalment of principal is payable, (ii) Senior Non-Preferred Notes, the minimum maturity will be 1 year, and (iii) Subordinated Notes, the minimum maturity will be 5 years)</i> ]
18	Record Date	:	[As per the Conditions / <i>specify other</i> ]
19	Condition 7 (Fixed Rate Notes) applies	:	[Yes / No]  [If “No”, delete following Fixed Rate provisions]

	Fixed Coupon Amount	:	[Specify]
	Interest Rate	:	[Specify]
	Interest Commencement Date	:	[Issue Date / specify]
	Interest Payment Dates	:	[Specify]
	Business Day Convention	:	[Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other]
	Day Count Fraction	:	[Specify]
20	Condition 8 (Floating Rate Notes) applies	:	[Yes / No]  [If "No", delete following Floating Rate provisions]
	Interest Commencement Date	:	[Issue Date / specify]
	Interest Rate	:	[Specify method of calculation]
	Interest Payment Dates	:	[Specify dates or the Specified Period]
	Business Day Convention	:	[Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other]
	Margin	:	[Specify (state if positive or negative)]
	Day Count Fraction	:	[Specify]
	Fallback Interest Rate	:	[Specify / Not Applicable]
	Interest Rate Determination	:	[ISDA Determination / Screen Rate Determination / BBSW Rate Determination]
	[If ISDA Determination applies, specify the following (otherwise delete provisions)]		
	Floating Rate Option	:	[Specify]
	Designated Maturity	:	[Specify]
	Reset Date	:	[Specify]
	[If Screen Rate Determination applies, specify the following (otherwise delete provisions)]		
	Relevant Screen Page	:	[Specify]
	Relevant Time	:	[Specify]
	Reference Rate	:	[Specify]

	Reference Banks	:	[Specify]
	Interest Determination Date	:	[Specify]
	<i>[If BBSW Rate Determination applies, specify the following (otherwise delete provision)]</i>		
	BBSW Rate	:	[As per Condition 8.6 / specify any variation to the Conditions]
	Maximum and Minimum Interest Rate	:	[Specify / Not Applicable]
	Default Rate	:	[Specify (In the case of interest-bearing Notes, specify rate of interest applying to overdue amounts (if different to usual Interest Rate))]
	Rounding	:	[As per Condition 10.6 / specify]
	Relevant Financial Centre	:	[Applicable / Not Applicable]
	Linear Interpolation	:	[Applicable / Not Applicable] [If applicable, provide details]
21	Condition 9 (Structured Notes) applies	:	[Yes / No]  <i>[If “Yes”, specify full interest determination provisions, including rate or calculation basis for interest or actual amounts of interest payable, amount and dates for commencement and payment]</i>
22	Amortisation Yield	:	[Specify (in the case of Zero Coupon Notes, specify the Reference Price)]
23	Instalment Details	:	[Specify details of Instalments including Instalment Amount and Instalment Dates / Not Applicable]
24	Details of Partly Paid Notes	:	[Specify details / Not Applicable]
25	Details of Zero Coupon Notes	:	[Specify details / Not Applicable]  <i>[If “Not Applicable”, delete following Zero Coupon provisions]</i>
	Amortisation Yield	:	[Specify (in the case of Zero Coupon Notes, specify the Reference Price)]
26	Minimum / maximum notice period for early redemption for taxation purposes	:	[As per Condition 11.4 / specify]
27	Condition 11.6 (Noteholder put) applies	:	[Yes, the Notes redeemable before their Maturity Date at the option of the Noteholders under Condition 11.6 (Noteholder put)/ No]  <i>[If “No”, delete following Noteholder put provisions]</i>

	Early Redemption Date(s) (Put)	:	[Specify]
	Minimum / maximum notice period for exercise of Noteholder put	:	[Specify]
	Relevant conditions to exercise of Noteholder put	:	[Specify]
	Redemption Amount	:	[Specify]
28	Condition 11.7 (Issuer call) applies	:	[Yes, the Notes are redeemable before their Maturity Date at the option of the Issuer / No]  [If “No”, delete following Issuer call provisions]
	Early Redemption Date(s) (Call)	:	[Specify]
	Minimum / maximum notice period for exercise of Issuer call	:	[Specify]
	Relevant conditions to exercise of Issuer call	:	[Specify]
	Redemption Amount	:	[Specify]
29	Condition 11.8 (MREL/TLAC Disqualification Event Call)	:	[Yes, the Notes are redeemable before their Maturity Date at the option of the Issuer / No]  [If “No”, delete following Issuer call provisions]
	Minimum / maximum notice period for exercise of MREL/TLAC Disqualification Event Call	:	[Specify]
	Redemption Amount	:	[Specify]
30	Additional Conditions	:	[Specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included]
31	Clearing System[s]	:	[Austraclear System / specify others]
32	ISIN	:	[Specify]
33	[Common Code]	:	[Specify]
34	[Selling Restrictions]	:	[Specify any variation to the selling restrictions set out in the Information Memorandum]
35	Listing	:	[Not Applicable / Australian Securities Exchange / specify details of other relevant stock or securities exchange]

36 [Credit ratings] :

[[Specify]

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

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.]*

37 [Additional Information] :

[Specify]

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

**CONFIRMED**

For and on behalf of

**BPCE**

By:

Date:

.....

.....

## Selling Restrictions

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*Under the Dealer Agreement dated 3 October 2013 between the Issuer, the Arranger and the Dealers (as amended and supplemented from time to time, the “**Dealer Agreement**”) and subject to the Conditions contained in the Information Memorandum, the Notes will be offered by the Issuer through the Dealers. The Issuer has the sole right to accept any offer to purchase Notes and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more financial institutions as a Dealer for a particular Tranche of Notes or the Programme generally. At the time of any appointment, each such financial institution will be required to represent and agree to the selling restrictions applicable at that time.*

*Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree to comply with any applicable law or directive in any jurisdiction in which it subscribes for, offers, sells or transfers Notes and that it will not, directly or indirectly, subscribe for, offer, sell or transfer Notes or distribute any Information Memorandum or other offering material in relation to the Notes, in any jurisdiction, except in accordance with these selling restrictions, any additional restrictions which are set out in the relevant Pricing Supplement and any applicable law or directive of that jurisdiction.*

*None of the Issuer, the Arranger or any Dealer has represented that any Notes may at any time lawfully be offered or sold, or that this Information Memorandum or any other offering material in relation to the Notes may be distributed, in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale or distribution.*

*In addition to the above, the following selling restrictions apply:*

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### 1 General

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Information Memorandum or any other offering material in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer, the Arranger and the Dealers to comply with all applicable laws and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Notes or have in their possession or distribute or publish the Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and neither the Issuer nor the Arranger or any Dealer has responsibility for such matters. In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

In these selling restrictions, “**directive**” includes a treaty, an official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in Australia, France, the United Kingdom, the United States of America, Hong Kong, Japan, Singapore and the European Economic Area as set out below.

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## 2 Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with ASIC. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (iii) the Notes issued or transferred have an aggregate principal amount of at least A\$500,000;
- (iv) such action complies with any applicable laws and directives in Australia; and
- (v) such action does not require any document to be lodged with ASIC.

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## 3 France

Each of the Dealers has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise transferred and will not offer, sell or otherwise transfer, 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 Information Memorandum, the relevant Pricing Supplement or any offering material relating to the Notes and that such offers, sales, transfers and distributions have been made and will be made in France only to:

- (a) qualified investors (*investisseurs qualifiés*) acting for their own account; and/or
- (b) persons providing portfolio management financial services (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*);

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 (*Code monétaire et financier*).



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#### 4 The United Kingdom

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

- (a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (UK) (as amended) ("**FSMA**") with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) in relation to Notes with a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve 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 as 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 FSMA by the Issuer.

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#### 5 The United States of America

The Notes have not been and will not be registered under the Securities Act.

Terms used in the following paragraphs have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted under the Dealer Agreement, it will not offer, sell or deliver the Notes:

- (a) as part of their distribution at any time; and
- (b) otherwise until 40 days after completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the Lead Manager,

within the United States of America or to, or for the account or benefit of, U.S. persons.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will have sent to each distributor to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States of America or to, or for the account or benefit of, U.S. persons.

Until 40 days after the completion of the distribution of all Notes of the Tranche of which those Notes are a part, an offer or sale of Notes within the United States of America by any Dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

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## 6 Hong Kong

The Notes have not been authorised by the Hong Kong Securities and Futures Commission.

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

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than:
  - (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong ("**SFO**") and any rules made under the SFO; or
  - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong ("**CO**") or which do not constitute an offer to the public within the meaning of the CO; and
- (b) unless it is a person permitted to do so under the applicable securities laws of Hong Kong, it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, (in each case whether in Hong Kong or elsewhere) any advertisement, invitation, other offering material or other document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

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## 7 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**") and, accordingly, 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 offered or sold, and will not offer or sell, any Notes directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws and regulations of Japan.

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## 8 Singapore

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore, as amended ("**Securities and Futures Act**").

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

Supplement (or another supplement to this Information Memorandum) otherwise provides, the Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes has not been and will not be circulated or distributed by it nor have the Notes been, nor will the Notes be, offered or sold by it, or be subject to an invitation for subscription or purchase by it, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under Section 274 of the Securities and Futures Act;
- (b) to a relevant person pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (1) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor (under Section 274 of the Securities and Futures Act) or to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;
- (ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the Securities and Futures Act or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the Securities and Futures Act;
- (iii) where no consideration is, or will be, given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in Section 276(7) of the Securities and Futures Act; or
- (vi) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

***Public offer Selling Restriction under the Prospectus Directive***

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 Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in any Member State except that it may make an offer of such Notes to the public in that 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 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (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 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 (as amended), and includes any relevant implementing measure in each Member State.

***Prohibition of sales to EEA retail investors***

From 1 January 2018, each Dealer will represent and agree, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
  - (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

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**10      Variation**

These selling restrictions may be amended, varied, replaced or otherwise updated from time to time in accordance with the Dealer Agreement. Any change may be set out in a Pricing Supplement or in another supplement to this Information Memorandum.

# Taxation

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## Australian Taxation

*The following is a summary of the Australian taxation matters, at the date of this Information Memorandum, in relation to the Notes to be issued by the Issuer under the Programme and certain other matters. It is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

### 1. Interest withholding tax

So long as the Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of the Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax.

### 2. Other tax matters

Under Australian laws as presently in effect:

- (a) *death duties* - no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (b) *stamp duty and other taxes* - no *ad valorem* stamp, issue, registration or similar taxes are payable in any Australian State or Territory on the issue or transfer of any Notes;
- (c) *other withholding taxes on payments in respect of Notes* - so long as the Issuer continues to be a non-resident of Australia and does not carry on business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Income Tax Assessment Act 1936 of Australia and section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") should not apply to the Issuer;
- (d) *supply withholding tax* - payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (e) *goods and services tax ("GST")* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a supply that is outside the scope of GST law. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia.

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## French Taxation

*The following is a general summary of certain withholding tax considerations of the current tax law and practice in France (“**French law**”) that may be relevant to holders of Notes who (i) are non-French residents, (ii) do not hold the Notes in connection with a business or profession conducted in France, as a permanent establishment or a fixed base situated therein, and (iii) do not concurrently hold shares of the Issuer. It does not purport to be a complete summary of French tax law and practice currently applicable and does not constitute legal or tax advice. All prospective investors in the Notes are advised to consult their own tax advisers with respect to the tax consequences under the tax laws of the country in which they are resident, of the purchase, ownership or disposition of the Notes or any interest therein.*

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

Furthermore, according to Article 238 A of the French Code *général des impôts* interest and other assimilated revenues on the Notes will not be 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 on a bank account opened in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French Code *général des impôts*, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 bis of the French Code *général des impôts*, at a rate of 30 per cent. or 75 per cent. subject to the more favourable provisions of a tax treaty, if applicable.

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French Code *général des impôts* nor, to the extent the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of the Notes was not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the French tax administrative guidelines (BOI-RPPM-RCM-30-10-20-40 n°70 and BOI-INT-DG-20-50 n°990, dated 11 February 2014 and BOI-IR-DOMIC-10-20-20-60 n°10 dated 20 March 2015), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

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

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## Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”) impose a reporting regime and potentially a 30% 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 will be classified as an FFI.

The withholding regime will apply to “**foreign passthru payments**” (a term not yet defined) no earlier than 1 January 2019. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised 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 months after the date on which final U.S. Treasury regulations defining the term foreign passthru payments are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised 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 would generally 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 that is substantially to the Model 1 IGA.

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.

Whilst the Notes are in global or dematerialised form and 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 clearing systems, given that each of the entities in the payment chain beginning with the Issuer and ending with 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.

**FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, 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 payments they may receive in connection with the Notes.**



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## **OECD Common Reporting Standard**

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) will require certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement.

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## French insolvency law

Under French insolvency law notwithstanding any clause to the contrary, holders of debt securities (*obligations*) are automatically grouped into a single assembly of holders (the “**Assembly**”) if a safeguard (*procédure de sauvegarde*), an accelerated safeguard procedure (*procédure de sauvegarde accélérée*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganization procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly will comprise all holders of debt securities (*obligations*) issued by the Issuer (including the Notes), whether or not under a debt issuance programme and regardless of their governing law. The Assembly will deliberate on the proposed safeguard plan (*projet de plan de sauvegarde*), proposed accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or proposed judicial reorganization plan (*projet de plan de redressement*) prepared in relation to the Issuer and may further agree to:

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

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

The receiver (*administrateur judiciaire*) is allowed to take into account the existence of voting or subordination agreements entered into by a holder of notes, or the existence or an arrangement providing that a third party will pay the holder’s claims, in full or in part, in order to reduce such holder’s voting rights within the Assembly. The receiver must disclose the method to compute such voting rights. In the event of a disagreement regarding such method, the interested holder or the receiver may ask the president of the competent commercial court to resolve the dispute.

These provisions could apply to a Noteholder who has entered into a hedging arrangement in relation to the Notes.

For the avoidance of doubt, the provisions relating to the representation of the Noteholders described in the Deed Poll, or, where applicable, in the French Commercial Code (*Code de commerce*), will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

Insolvency proceedings may be initiated against banks or other credit institutions, or investment firms only after prior approval of the relevant Banking Authority.

## Directory

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### Issuer

#### BPCE

50 avenue Pierre Mendès-France  
75013 Paris  
France

Attention: Group Funding and Investor Relations Department  
Telephone: + 33 1 58 40 69 30  
Facsimile: + 33 1 58 40 50 01

### Arranger

#### National Australia Bank Limited

(ABN 12 004 044 937, AFSL 230686)

Level 25  
255 George Street  
Sydney NSW 2000  
Australia

Attention: Head of Debt Syndicate  
Telephone: + 61 2 9237 1550

### Dealers

#### Australia and New Zealand Banking Group Limited

(ABN 11 005 357 522, AFSL 234527)

Level 5, ANZ Tower  
242 Pitt Street  
Sydney NSW 2000  
Australia

Attention: Head of Bond Syndicate, Global Markets  
Telephone: + 61 2 8037 0200  
Facsimile: + 61 2 8937 7115

#### National Australia Bank Limited

(ABN 12 004 044 937, AFSL 230686)

Level 25  
255 George Street  
Sydney NSW 2000  
Australia

Attention: Head of Debt Syndicate  
Telephone: + 61 2 9237 1550

#### Commonwealth Bank of Australia

(ABN 48 123 123 124, AFSL 234945)

Level 21  
Darling Park Tower 1  
201 Sussex Street  
Sydney NSW 2000  
Australia

Attention: Head of Debt Capital Markets  
Telephone: + 61 2 9118 1219  
Facsimile: + 61 2 9118 1002

#### NATIXIS

30 avenue Pierre Mendès-France  
75013 Paris  
France

Attention: Aziza Breteau / Thomas Leocadio  
Telephone: + 33 1 58 55 08 70 / + 33 1 58 55 82 67

**Westpac Banking Corporation**  
(ABN 33 007 457 141, AFSL 233714)

Level 2, Westpac Place  
275 Kent Street  
Sydney NSW 2000  
Australia

Attention: Executive Director, Debt Securities  
Telephone: + 61 2 8253 4574  
Facsimile: + 61 2 8254 6937

**Registrar and Issue and Paying Agent**

**BTA Institutional Services Australia Limited**  
(ABN 48 002 916 396)

Level 2  
1 Bligh Street  
Sydney NSW 2000  
Australia

Attention: Global Client Services  
Telephone: + 61 2 9260 6000  
Facsimile: + 61 2 9260 6009

