

**Crédit Agricole Assurances S.A.****€1,000,000,000 Subordinated Resettable Notes due 2048
Issue Price: 99.133 per cent.**

The €1,000,000,000 Subordinated Resettable Notes due 2048 (the “Notes”) of Crédit Agricole Assurances S.A. (the “Issuer”) will be issued on 27 September 2016 (the “Issue Date”) and will bear interest at a rate of 4.750 per cent. *per annum* (the “Initial Rate of Interest”) from (and including) the Issue Date to (but excluding) 27 September 2028 (the “First Call Date”), payable annually in arrear on 27 September of each year, beginning on 27 September 2017, and thereafter payable annually in arrear on 27 September of each year at the relevant Reset Rate of Interest, as determined by the Calculation Agent and as described in “Terms and Conditions of the Notes—Interest”, to (but excluding) the Maturity Date. Payment of interest on the Notes may at the option of the Issuer, or shall, be deferred under certain circumstances, as set out in “Terms and Conditions of the Notes—Interest—Interest Deferral”.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at par on 27 September 2048 (the “Maturity Date”). The Issuer may, at its option, redeem all, but not some only, of the Notes on the First Call Date or any Interest Payment Date thereafter at their redemption amount together with interest accrued up to, but excluding, the date of redemption, Arrears of Interest and Additional Interest Amounts, if any (all as defined in “Terms and Conditions of the Notes”). The Issuer also may, at its option, redeem all, but not some only, of the Notes at their Redemption Amount upon the occurrence of certain events including an Accounting Event, a Capital Disqualification Event, a Gross-Up Event, a Tax Deductibility Event or a Rating Methodology Event (as further described in “Terms and Conditions of the Notes—Redemption and Purchase”). The Notes may not be redeemed if a Regulatory Deficiency has occurred and is continuing or would occur as a result of such redemption. Any redemption is subject to prior approval by the Relevant Supervisory Authority (as defined in “Terms and Conditions of the Notes”).

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank: subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer; *pari passu* without any preference among themselves and with all other subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those that rank or are expressed by their terms to rank junior to the Notes; and in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any deeply subordinated notes issued by the Issuer, and any class of share capital, whether represented by ordinary shares or preference shares (*actions de préférence*) issued by the Issuer, as further described in “Terms and Conditions of the Notes—Status of the Notes”.

The Notes are governed by the laws of the Republic of France.

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be established and evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders. “Account Holder” shall mean any financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”).

This Prospectus constitutes a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended (the “Prospectus Directive”).

Application will be made admit the Notes to trading as of their Issue Date on the regulated market of Euronext in Paris (“Euronext Paris”). Euronext Paris is a regulated market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council dated 21 April 2004, as amended.

The Notes are expected to be rated BBB- by Standard & Poor’s Credit Market Services S.A.S (“S&P”). The long term debt of the Issuer has been assigned a rating of BBB+ (stable outlook) by S&P. S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended (the “CRA Regulation”). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.

See the “Risk Factors” section for a description of certain factors which should be considered by potential investors in connection with any investment in the Notes.

Copies of this Prospectus are available on the websites of the *Autorité des marchés financiers* (the “AMF”) (www.amf-france.org) and of the Issuer (www.ca-assurances.com) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours. Copies of all documents incorporated

by reference in this Prospectus are available (i) on the website of the AMF (www.amf-france.org) and (ii) on the website of the Issuer (www.ca-assurances.com) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours.



In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and its General Regulations (*Règlement général*), in particular Articles 211-1 to 216-1, the *Autorité des marchés financiers* has granted to this Prospectus the visa n°16-446 on 23 September 2016. This Prospectus has been prepared by the Issuer and its signatory assumes responsibility for it. In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it and the appropriateness of the issue of the Notes.

Global Coordinator, Sole Structuring Advisor, Sole Bookrunner

Crédit Agricole CIB

Joint Lead Managers

BMO Capital Markets

HSBC

J.P. Morgan

Santander Global Corporate Banking

The date of this Prospectus is 23 September 2016

This Prospectus has been prepared for the purpose of giving information with respect to the Issuer, and the Issuer and its consolidated subsidiaries taken as a whole (the “Group”) as well as the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer and the Group. Prospective investors should also read and consider the information in the documents to which the Issuer has referred them under the caption “Documents Incorporated by Reference” in this Prospectus.

Certain information contained in this Prospectus has been extracted from sources specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading.

None of the Managers (as defined in “Subscription and Sale” below) has separately verified the information contained or incorporated by reference in this Prospectus. Accordingly, the Managers do not make any representation, warranty or undertaking, express or implied, or, to the extent permitted by law, accept any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Prospectus. Neither this Prospectus nor any document incorporated by reference herein nor any other information supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by, or on behalf of, the Issuer or the Managers that any recipient of this Prospectus or any other financial statements should purchase the Notes.

No person is authorized to give any information or to make any representation related to the issue, offering or sale of the Notes not contained in this Prospectus or in the documents incorporated by reference. Any information or representation not so contained herein or in the documents incorporated by reference must not be relied upon as having been authorized by, or on behalf of, the Issuer or the Managers. The delivery of this Prospectus or any offering or sale of Notes at any time does not imply (i) that there has been no change with respect to the Issuer or the Group since the date hereof or (ii) that the information contained in it or in any of the documents incorporated by reference is correct as at any time subsequent to its respective date. None of the Managers undertakes to review the financial or general condition of the Issuer or the Group during the life of the arrangements contemplated by this Prospectus or the documents incorporated by reference or to advise any investor or prospective investor in the Notes of any information coming to its attention.

The Prospectus, the documents incorporated by reference herein and any other information relating to the Issuer, the Group or the Notes should not be considered as an offer, an invitation, a recommendation by any of the Issuer or the Managers to subscribe or purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained or incorporated by reference in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. Investors should in particular conduct their own analysis and evaluation of risks relating to the Issuer, the Group, their business, their financial condition and the Notes and consult their own financial or legal advisers about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances. Potential investors should read carefully the Section entitled “Risk Factors” set out in this Prospectus before making a decision to invest in the Notes.

The distribution of this Prospectus and the offering or the sale of the Notes in certain jurisdictions may be restricted by law or regulation. Neither the Issuer nor the Managers represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered or sold, 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, offering or sale. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of any Notes or distribution of this Prospectus in any

jurisdiction where action for that purpose is required. Accordingly, no Note may be offered or sold, directly or indirectly, and neither this Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on offers and sales of Notes and distribution of this Prospectus and of any other offering material relating to the Notes, see "Subscription and Sale" below.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

In connection with the issue of the Notes, Crédit Agricole Corporate and Investment Bank (the "**Stabilizing Manager**") (or persons acting on its behalf) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilization action or over-allotment must be conducted by the Stabilizing Manager (or persons acting on its behalf) in accordance with all applicable laws and rules.

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In this Prospectus, references to "€", "**EURO**", "**EUR**" or to "**euro**" are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Union, as amended.

FORWARD LOOKING STATEMENTS

This Prospectus, including the documents incorporated by reference herein, contains forward looking statements regarding the prospects and growth strategies of the Group. These forward looking statements are sometimes identified by the use of the future or conditional tense, as well as terms such as "consider", "envisage", "think", "aim", "expect", "intend", "should", "anticipate", "think", "wish" and "might", or if applicable, the negative form of such terms and similar expressions or similar technology. Such Information is not historical in nature and should not be interpreted as a guarantee of future performance. Such information is based on data, assumptions, and estimates that the Group considers reasonable. Such information is subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments. In addition, the materialization of one or more of the risks described in Section "Risk Factors" of this Prospectus may

have a material adverse effect on the business, financial condition, results of operation of the Group and its ability to reach its objectives. This information is contained in several sections of this Prospectus and the documents incorporated by reference herein, and includes statements relating to the Group's intentions, estimates and objectives with respect to its markets, strategies, growth, results of operations, financial situation and liquidity. The forward-looking statements speak only as at the date of this Prospectus or the respective document incorporated by reference. Except any applicable legal or regulatory requirements, the Group expressly disclaims any obligation to release any updates to any forward-looking statements contained in this Prospectus or any document incorporated by reference to reflect any change in its any change in its expectations or any change in events, conditions or circumstances, on which any forward-looking statement contained in this Prospectus or any document incorporated by reference herein is based.

The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein also refer to known and unknown risks, uncertainties and other factors which may, if occurred, affect the future results of operation, performance and accomplishments of the Group. These factors may particularly include the change of the commercial and economic situation as well as the risk factors described in the section entitled "Risk Factors" of this Prospectus.

INFORMATION ON THE MARKET AND COMPETITION

This Prospectus, including the documents incorporated by reference herein, contains information relating to the Group's markets and to its competitive position. Unless otherwise indicated, this information is based on the Group's estimates and is provided for illustrative purposes only. The Group's estimates are based on information obtained from its customers, its suppliers, trade organizations and other stakeholders in the markets in which the Group operates. Although the Issuer believes the Group's estimates to be reliable as of the date of this Prospectus, it cannot guarantee that the data on which its estimates are based are accurate and exhaustive, or that its competitors define the markets in which they operate in the same manner. These estimates and the data on which they are based have not been verified by independent experts. The Group does not guarantee that a third party using other methods to analyze or compile market data would obtain the same results. To the extent the data relating to market share and market size included in this Prospectus and the documents incorporated by reference are based solely on the Group's estimates, they do not constitute official data.

PRESENTATION OF FINANCIAL INFORMATION

The audited consolidated financial statements of the Group as at and for the years ended 31 December 2015 and 2014 and the unaudited consolidated financial statements of the Group as at and for the six months ended 30 June 2016, incorporated by reference herein, have been prepared in accordance with IFRS as adopted by the European Union ("IFRS").

Certain figures included or incorporated by reference in this Prospectus, where indicated, are presented on a French GAAP basis. French GAAP differs in certain significant respects from IFRS. As a result, the French GAAP financial information included herein may differ substantially from similar financial information prepared in accordance with IFRS.

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PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE PROSPECTUS

Frédéric Thomas, Chief Executive Officer (*Directeur général*) of Crédit Agricole Assurances S.A.

Declaration by the Person Responsible for the Prospectus

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

The consolidated financial statements of the Group as of and for the year ended 31 December 2014 are the subject of a report by the statutory auditors, which contains one observation.

CREDIT AGRICOLE ASSURANCES S.A.

50-56, rue de la Procession
75015 Paris
France

Duly represented by:

Frédéric Thomas

Chief Executive Officer (*Directeur général*) of CREDIT AGRICOLE ASSURANCES S.A.

Dated 23 September 2016

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents, which have been previously published and have been filed with the AMF as the competent authority in France for the purposes of the Prospectus Directive and shall be incorporated in, and form part of, this Prospectus (the “**Documents Incorporated by Reference**”):

1. the English version of 2015 Registration Document of the Issuer, which includes primarily the audited consolidated financial statements as at and for the year ended 31 December 2015 of the Issuer and was filed with the AMF on 2 June 2016 under no. R.16-051 (the “**2015 Registration Document**”); except that
 - (A) the statement by Mr. Frédéric Thomas, Chief Executive Officer (*Directeur général*) of the Issuer, on page 241 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed incorporated herein; and
 - (B) the cross reference tables on pages 243 to 245 and notes under the table on page 244 shall not be deemed incorporated herein; and
2. the English version of the unaudited interim condensed consolidated financial statements of the Crédit Agricole Assurances Group as of and for the six months ended 30 June 2016, related notes and the limited review report (the “**Half-Year Report 2016**”).

Any statement contained in a Document Incorporated by Reference shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein (or in any later dated Document Incorporated by Reference) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise); any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of the Documents Incorporated by Reference may be obtained, without charge on request, at the principal office of the Issuer, or at the specified office of the Fiscal Agent during normal business hours. Such documents are also published (i) on the website of the AMF (www.amf-france.org) and (ii) on the website of the Issuer (www.ca-assurances.com). No other information on these or any other websites referenced herein forms a part of this Prospectus.

CROSS-REFERENCE TABLE

The following table cross-references the pages of the Documents Incorporated by Reference with the main heading required under Annex XI of the Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Any information not listed in the cross-reference list below but included in the Documents Incorporated by Reference is provided for information purposes only.

ANNEX XI	Page no. in the relevant documents incorporated by reference
1 Persons responsible	
1.1 Persons responsible for the information	241 of 2015 Registration Document See " <i>Persons Responsible for the Information Contained in the Prospectus</i> " on page vii of this Prospectus.
1.2 Statements by the persons responsible	241 of 2015 Registration Document See " <i>Persons Responsible for the Information Contained in the Prospectus</i> " on page vii of this Prospectus.
2 Statutory auditors	
2.1 Names and addresses of the Issuer's auditors (together with their membership of a professional body)	242 of 2015 Registration Document
2.2 Change of situation of the auditors	N/A
3 Risk Factors	See " <i>Risk Factors</i> " beginning on page 18 of this Prospectus.
4 Information about the Issuer	
4.1 History and development of the Issuer	2-13; 97-98; 122; 232; 238 of 2015 Registration Document
4.1.1 Legal and commercial name	122; 232 of 2015 Registration Document 3 of Half-Year 2016 Report
4.1.2 Place of registration and registration number	122; 232 of 2015 Registration Document 3 of Half-Year 2016 Report
4.1.3 Date of incorporation and length of life	232 of 2015 Registration Document
4.1.4 Domicile, legal form, legislation, country of incorporation, address and telephone number	122; 232 of 2015 Registration Document 3 of Half-Year 2016 Report
4.1.5 Recent events particular to	12 of 2015 Registration Document

ANNEX XI		Page no. in the relevant documents incorporated by reference
	the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	15 of Half-Year 2016 Report
5	Business overview	
5.1	Principal activities	
5.1.1	Description of the Issuer's principal activities	2-5; 14-15; 91-102; 118-119; 150-156; 238 of 2015 Registration Document
5.1.2	Indication of significant new products and/or activities	238 of 2015 Registration Document
5.1.3	Description of the Issuer's principal markets	14-15 of 2015 Registration Document 16-21 of Half-Year 2016 Report
5.1.4	Competitive position	14-15 of 2015 Registration Document
6	Organizational structure	
6.1	Description of the group and of the Issuer's position within it	6; 13; 62-69; 123-124; 198-208; 227 of 2015 Registration Document 3-4; 40-51 of Half-Year 2016 Report
6.2	Dependence relationships within the group	124; 238-239 of 2015 Registration Document
7	Trend information	
7.1	Material adverse changes	238 of 2015 Registration Document
7.2	Trends reasonably likely to have a material effect on the Issuer's prospects	2-3; 14-25; 92-93; 96-98; 150 of 2015 Registration Document 15 of Half-Year 2016 Report
8	Profit forecasts or estimates	N/A
9	Administrative, management and supervisory bodies	
9.1	Information concerning the administrative and management bodies	52-69; 71-84 of 2015 Registration Document
9.2	Conflicts of interest	53-55; 60 of 2015 Registration Document
10	Major shareholders	
10.1	Information concerning control	6; 10; 175-176; 224 of 2015 Registration

ANNEX XI	Page no. in the relevant documents incorporated by reference
	Document
10.2 Description of arrangements which may result in a change of control	N/A
11 Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	
11.1 Historical financial information	
<i>Audited consolidated financial statements of the Issuer for the financial year ended December 31, 2015:</i>	121-211 of 2015 Registration Document
(a) consolidated balance sheet;	125-126 of 2015 Registration Document
(b) consolidated income statement;	127-128 of 2015 Registration Document
(c) consolidated cash flow statement;	130-131 of 2015 Registration Document
(d) accounting policies and explanatory notes.	132-211 of 2015 Registration Document
<i>Audited non-consolidated financial statements of the Issuer for the financial year ended 31 December 2015:</i>	215-227 of 2015 Registration Document
(a) non-consolidated balance sheet;	216-217 of 2015 Registration Document
(b) non-consolidated income statement;	218 of 2015 Registration Document
(c) accounting policies and explanatory notes.	219-227 of 2015 Registration Document
<i>Audited consolidated financial statements of the Issuer for the financial year ended 31 December 2014 (included in the English version of 2014 Registration Document of the Issuer, which was filed with the AMF on August 6, 2015 under no. R.15-061 (the "2014 Registration Document"));</i>	119-212 of 2014 Registration Document
(a) consolidated balance sheet;	123-124 of 2014 Registration Document
(b) consolidated income statement;	125-126 of 2014 Registration Document
(c) consolidated cash flow statement;	128-129 of 2014 Registration Document

ANNEX XI	Page no. in the relevant documents incorporated by reference
(d) accounting policies and explanatory notes.	130-212 of 2014 Registration Document
11.2 Financial statements	121-211; 215-227 of 2015 Registration Document 5-51 of Half-Year 2016 Report
11.3 Auditing of historical annual financial information	
<i>Auditors' report on the consolidated financial statements of the Issuer for the financial year ended 31 December 2015</i>	212-213 of 2015 Registration Document
<i>Auditors' report on the non-consolidated financial statements of the Issuer for the financial year ended 31 December 2015</i>	228-229 of 2015 Registration Document
<i>Auditors' report on the consolidated financial statements of the Issuer for the financial year ended 31 December 2014</i>	213-214 of 2014 Registration Document
<i>Auditors' report on the non-consolidated financial statements of the Issuer for the financial year ended 31 December 2014</i>	229-230 of 2014 Registration Document
11.4 <i>Age of latest financial information</i>	121 of 2015 Registration Document 1 of Half-Year 2016 Report
11.5 <i>Interim and other financial information</i>	5-54 of Half-Year 2016 Report
11.6 <i>Legal and arbitration proceedings</i>	120; 180 of 2015 Registration Document
11.7 <i>Significant change in the Issuer's financial position</i>	12; 150; 220; 238 of 2015 Registration Document
12 Material contracts	238-239 of 2015 Registration Document
13 Third party information and statement by experts and declaration of any interest	N/A
14 Documents on display	238 of 2015 Registration Document

OVERVIEW

The following overview is qualified in its entirety by the information contained in the remainder of this Prospectus. Prospective investors are urged to read all of the information contained herein, including the information set forth under "Risk Factors".

*Except as the context otherwise requires, references in this Prospectus to "**Crédit Agricole Assurances**" or "**the Group**" are to Crédit Agricole Assurances S.A. and its consolidated subsidiaries and affiliates.*

Crédit Agricole Assurances

Crédit Agricole Assurances is the insurance arm of the Crédit Agricole Group, France's largest banking group and one of the largest banking groups in the world based on shareholders' equity. Crédit Agricole Assurances is the largest bancassurance group in Europe and the second largest insurer in France by premiums (source: L'Argus de l'assurance, 18 December 2015, data at end 2014). Crédit Agricole Assurances covers the full range of its customers' needs, in France and internationally, through its three main businesses: savings (life insurance, retirement), protection of property (property & casualty) and protection of people (health insurance, death & disability and creditor insurance). To distribute its products, Crédit Agricole Assurances benefits from the efficiency and the performance of the Crédit Agricole Group, one of the largest banking networks in Europe, and the networks of its banking partners and financial institutions overseas, allowing it to cover 10 countries. In France, the business relies on the Crédit Agricole regional banks and LCL. Outside France, its products are distributed through the networks of its banking partners and financial institutions.

In 2015, the Group generated written premiums of €30,369 million, operating income of €2,042 million and net income (Group share) of €1,036 million. In the first half of 2016, the Group generated written premiums of €16,832 million, operating income of €1,009 million and net income (Group share) of €650 million.

Life Insurance and Retirement Savings in France (67.1% of 2015 revenues). Thirty years after the founding of Predica in 1986, Crédit Agricole Assurances today is the second-largest life insurance provider in France (source: L'Argus de l'assurance, 18 December 2015). Predica's offerings are designed to meet the diversified needs of individual customers, high-net-worth clients, farmers, small businesses and other corporate customers. Predica is the leading provider in the market for popular retirement savings plans (PERP), death and disability and funeral coverage in France. Predica distributes its products primarily through the Crédit Agricole regional banks and LCL. The Group is also expanding through alternative networks, including La Médicale, a subsidiary that has a network of insurance brokers dealing with small businesses in the health sector, the network of independent wealth management advisors under the UAF Life Patrimoine brand and the Spirica insurance company, and via the BforBank online bank and other online distributors.

Non-Life Insurance in France (10.9% of 2015 revenues). Since the creation of Pacifica in 1990, Crédit Agricole Assurance has become the seventh largest property and liability insurer in France (source: L'Argus de l'assurance, 18 December 2015). Pacifica markets its products to customers of Crédit Agricole regional banks and LCL, offering a full range of property and casualty insurance for individual customers, including policies for motor vehicles, homes, healthcare, legal protection and personal accident insurance as well as coverage for a family's mobile devices. Pacifica also leverages the relationships of the Crédit Agricole regional banks and LCL with farmers and small businesses, offering them insurance to cover their businesses and equipment as well as health coverage.

International insurance operations (excluding creditor insurance) (18.4% of 2015 revenues). Crédit Agricole Assurance is capitalizing on the success of its bancassurance model abroad through its international subsidiaries. The Group is primarily expanding through Crédit Agricole Group entities (Italy, Luxembourg, Poland) to which it exports and tailors its bancassurance group expertise. It also teams up with outside partners in targeted regions (in particular in Japan).

Creditor Insurance (3.3% of 2015 revenues). Since the creation of Crédit Agricole Credit Insurance ("**CACI**") in 2008, Crédit Agricole Assurances has become France's second largest insurer

providing creditor insurance (source: L'Argus de l'assurance: 10 April 2015). CACI is specialized in creditor insurance, which it offers in six countries including France. Building on its success with traditional partners – consumer credit providers – CACI has extended its expertise to retail banks and formed pan-European partnerships. CACI also offers a range of other financial protection products that complement its credit insurance offering.

Additional Information

First Half 2016 Results

The Group reported strong growth across its three business lines in the first half of 2016, with particularly strong growth in the death and disability business. In the first half of 2016, the Group generated €16.8 billion of written premiums, up 4.6% compared to the first half of 2015.

- Savings and retirement written premiums were up 4.0% to €13.0 billion. Assets under management showed year-on-year growth of 3.4% compared to the end of June 2015, and reached €264 billion. Unit-linked policies accounted for 18.8% of total assets under management.
- Property & casualty written premiums reached €2.1 billion, 5.3% higher than in the first half of 2015, with strong growth in the farming and small business segment (with written premiums up 4.7% compared to the prior period). Despite weather-related events, the combined ratio remained under control at 96.6%.
- Death & disability, creditor and group insurance written premiums were up 8.7% compared with the first half of 2015 to €1.6 billion. This growth was mainly driven by the death & disability and group insurance business, for which written premiums increased by 19.5% over the same period. Creditor insurance written premiums increased by 2.4% over the period.

The Group reported €650 million in net income (group share) in the first half of 2016 compared with €496 million in the same period in 2015.

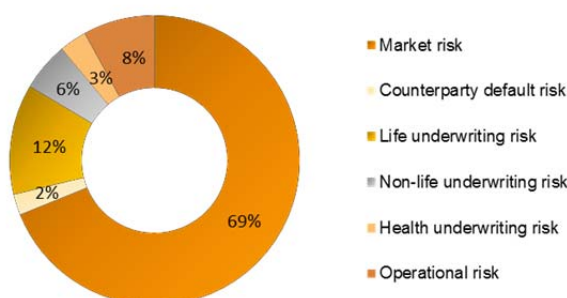
Solvency Position

Under the Solvency II Directive requirements that went into effect on 1 January 2016, the Group is required to maintain eligible own funds sufficient to meet solvency capital requirements (and as well as minimum capital requirements) calculated in the manner set forth in the applicable rules, which permit calculation based on either a standard formula or an internal model approved by the regulator. The Group has chosen the standard approach based on a formula and assumptions proposed by the European Insurance and Occupational Pensions Authority (EIOPA). Based on the standard formula calculations (without transitional measures other than the grandfathering of subordinated debt) the Group's Solvency II capital ratio (calculated by dividing eligible own funds by the solvency capital requirement (SCR)) was 178% at the end of 2015, and 156% at 30 June 2016.

At 31 December 2015:

- a 50 basis point increase in prevailing interest rates would have increased the Solvency II capital ratio to 196%;
- a 100 basis point increase in prevailing interest rates would have increased the Solvency II capital ratio to 216%;
- a 50 basis point decrease in prevailing interest rates would have decreased the Solvency II capital ratio to 145%; and
- a 25% decline in the Group's equity portfolio would have decreased the Solvency II capital ratio to 153%.

At 30 June 2016, the Group's eligible own funds amounted to €18.7 billion, of which 79% were classified as Tier 1 funds. The Group's SCR at 30 June 2016 was €12.0 billion. The following graph summarizes the breakdown of the SCR at 30 June 2016 before diversification.



The Group actively manages its capital to ensure financial flexibility. In June 2016, the Group issued Tier 2 debt in an amount of €1 billion that was fully subscribed by Crédit Agricole S.A. The Group had subordinated debt issuance capacity (based on regulatory limits) of €900 million of Tier 1 capital and €2 billion of Tier 2 capital at the end of June 2016.

Assets under Management

The following table summarizes the Group's total assets under management at the dates indicated.

(In billions of euros)	At 31 December		At 30 June	
	2014	2015	2015	2016
Assets under management	249	260	256	264

The following table summarizes the composition of the Group's assets under management at the dates indicated.

(In billions of euros)	At 31 December	At 30 June	
	2015	2015	2016
Euro	211	206	214
Unit-Linked	49	50	50
Total assets under management	260	256	264

Asset Allocation

Investments by asset class. The Group seeks to maintain a diversified and prudent allocation of assets. The following table summarizes the market value breakdown of investments by the Group's life insurance companies (excluding unit-linked accounts) at the dates indicated.

	At 31 December		At 30 June
	2014	2015	2016
Fixed income products (bonds, etc.)	82.9%	82.9%	82.2%
Real estate (buildings, shares in real estate companies)	5.4%	6.2%	6.5%
Other shares net of hedging	6.1%	6.5%	5.9%
Short term investments	2.5%	1.3%	2.4%
Other (private equity, convertible bonds, etc.)	1.6%	1.9%	2.0%
Alternative investments	1.5%	1.2%	1.0%
Total	100.0%	100.0%	100.0%

Investments by economic sector. The following table summarizes the breakdown of the Group's investments by economic sector at 31 December 2015. These figures exclude the assets held by the Group's international subsidiaries GNB Seguros and CA Assicurazioni.

	At 31 December
	2015
Financial and Securitization	28.4%
Government and Assimilated	35.6%
Corporates	29.0%
Real estate	6.7%
Other	0.3%
Total	100%

Investments by geographic area. The following table summarizes the breakdown of the Group's investments by geographic area on a net book value basis at 31 December 2015. These figures exclude the assets held by the Group's international subsidiaries GNB Seguros and CA Assicuranzoni as well as non-transparent UCITS, derivatives and unlisted investments.

	At 31 December
	2015
France	55.8%
Euro zone	23.1%
Europe non Euro zone	8.4%
Americas	7.4%
Other	5.3%
Total	100%

Average Guaranteed Rates and Surrender Rates

The Group believes its exposure to a decrease in interest rates is mitigated by a number of factors, including a low average guaranteed rate of 0.38% at the end of 2015, compared to a yield of 3.67% on the investment portfolio for French life insurance in 2015. Since 2000, the Group has avoided offering minimum guaranteed rates beyond one year on its life insurance products. The Group also retains the ability to adjust the profit-sharing rate to reflect decreases in average investment returns over time. Reflecting these policies the Group's lapse rate was 3.80% for the year ended 31 December 2015.

Combined Ratio and Cost/Income Ratio

In assessing its operating efficiency, the Group monitors its combined ratio and its cost/income ratio. The following table sets forth these ratios for the periods indicated.

	At 31 December	
	2014	2015
Combined Ratio ¹	96.5%	95.8%
Cost / Income Ratio ²	28.1%	26.7%

The Crédit Agricole Group

Crédit Agricole Assurances is part of the Crédit Agricole Group, France's largest banking group, Europe's largest retail bank, and one of the world's largest banking groups based on shareholders' equity. Through Crédit Agricole local and regional banks and its subsidiaries, the Crédit Agricole Group provides customers in France and throughout the world with insurance, property, payment instrument, asset management, leasing and factoring, consumer finance, corporate and investment banking solutions. With 140,000 employees at its local and regional banks, the Crédit Agricole Group serves 52 million customers, has 11,300 branch locations and is present in nearly 52 countries.

¹ (Claims + operating expenses) / gross premiums, net of reinsurance. Pacifica scope.

² Group operating expenses / Group net insurance revenue

OVERVIEW OF THE TERMS OF THE NOTES

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

Issuer	Crédit Agricole Assurances S.A.
Notes	€1,000,000,000 Subordinated Resettable Notes due 2048
Global Coordinator	Crédit Agricole Corporate and Investment Bank
Joint Lead Managers	Banco Santander, S.A., Bank of Montreal, London Branch, HSBC Bank plc and J.P. Morgan Securities plc
Fiscal Agent, Paying Agent and Calculation Agent	CACEIS Corporate Trust or any successor thereto
Issue Date	27 September 2016
First Call Date	27 September 2028
Scheduled Maturity Date	27 September 2048, if the Conditions to Redemption and Purchase are satisfied on such date and otherwise as soon as the Conditions to Redemption and Purchase are satisfied.
Issue Price	99.133 per cent.
Status of the Notes	<p>The subordination provisions of the Notes are governed by Article L.228-97 of the French <i>Code de commerce</i>.</p> <p>The obligations of the Issuer under the Notes in respect of principal, interest and other amounts are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank:</p> <ul style="list-style-type: none">(i) subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer;(ii) <i>pari passu</i> without any preference among themselves and with all other subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those that rank or are expressed by their terms to rank junior to the Notes; and(iii) in priority to <i>any prêts participatifs</i> granted to the Issuer, any <i>titres participatifs</i> issued by the Issuer, any deeply subordinated notes issued by the Issuer, and any class of share capital, whether represented by ordinary shares or preference shares (<i>actions de préférence</i>) issued by the Issuer.
Negative Pledge	There will be no negative pledge in respect of the Notes.
Interest	<p>Each Note bears interest at the applicable Rate of Interest from (and including) the Issue Date and interest shall be payable annually in arrear on 27 September in each year (each an “Interest Payment Date”).</p> <p>The rate of interest for each Interest Period from (and including) the Issue Date to (but excluding) the First Call Date is 4.750 per cent. <i>per annum</i>.</p> <p>The rate of interest for each Interest Period beginning on or after the First Call</p>

Date will be equal to (a) the 5-year Mid-Swap Rate plus (b) the Margin, as determined by the Calculation Agent.

“**Interest Period**” means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next (or first) Interest Payment Date.

“**Margin**” means 5.35 per cent. *per annum*.

**Optional Interest
Deferral**

On any Optional Interest Payment Date, the Issuer may, at its option, elect, by notice to (x) the Noteholders and (y) the Fiscal Agent, to defer payment of all (but not some only) of the interest accrued to that date, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose, unless the Interest Payment Date constitutes a Compulsory Interest Payment Date in which case interest on the Notes will be payable and will not be deferred.

Any interest not paid on an Optional Interest Payment Date and deferred shall so long as the same remains outstanding constitute **Optional Deferred Interest** and shall become due and payable as outlined below.

“**Compulsory Interest Payment Date**” means each Interest Payment Date prior to which during a period of twelve (12) months prior to such Interest Payment Date a discretionary dividend in any form on any ordinary or preference shares of the Issuer has been declared or paid, unless such Interest Payment Date constitutes a Mandatory Interest Deferral Date.

“**Optional Interest Payment Date**” means any Interest Payment Date other than a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date.

**Mandatory
Interest Deferral**

On any Mandatory Interest Deferral Date, the Issuer will be obliged, by notice to (x) the Noteholders and (y) the Fiscal Agent, to defer payment of all (but not some only) of the interest accrued (and, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) in respect of the Notes to that date, and any such failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest in respect of the Notes which has not been paid on a Mandatory Interest Deferral Date will be deferred and shall constitute **Mandatory Deferred Interest** and shall constitute, together with Optional Deferred Interest, **Arrears of Interest** and shall be payable as outlined below.

“**Applicable Supervisory Regulations**” means the solvency margin, capital adequacy regulations, capital requirements or any other regulatory capital rules, including the Solvency II Directive and any laws or regulations implementing the Solvency II Directive (including the guidelines and recommendations of the European Insurance and Occupational Pensions Authority), as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations including a decision of a court or tribunal from time to time in effect in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and its Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion in “tier two” own funds regulatory capital (or whatever terminology is employed to denote such concept).

“**Mandatory Interest Deferral Date**” means each Interest Payment Date (or, in

respect of Arrears of Interest and Additional Interest Amounts thereon, the date of payment thereof) in respect of which the Noteholders and the Principal Paying Agent have been notified by the Issuer that (i) a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date or (ii) the payment of such interest (and, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) would in itself cause a Regulatory Deficiency. However, the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date if all the following conditions are met:

- (i) the Relevant Supervisory Authority has exceptionally waived the deferral of such Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) (to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Applicable Supervisory Regulations);
- (ii) paying the Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) does not further weaken the solvency position of the Group as determined in accordance with the Applicable Supervisory Regulations; and
- (iii) the minimum capital requirement (MCR) (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) will be complied with immediately after the Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) is made.

“**Solvency II Directive**” means Directive 2009/138/EC of the European Union of November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), which has been transposed under French law by the ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction of the European Economic Area other than France, which has been or must be transposed under the law of its jurisdiction by the relevant member state of the European Economic Area pursuant to Article 309 of Directive 2009/138/EC (as amended or, as the case may be, supplemented)).

Arrears of Interest

Arrears of Interest (together with the corresponding Additional Interest Amount) may, subject to the fulfilment of the Conditions to Settlement, at the option of the Issuer, be paid in whole or in part at any time but all Arrears of Interest (together with the corresponding Additional Interest Amount) in respect of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

- (i) the next Interest Payment Date which is a Compulsory Interest Payment Date; or
- (ii) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or
- (iii) the date upon which a judgment is made by a competent court for the judicial liquidation of the Issuer (*liquidation judiciaire*) or for the sale of the whole of the business (*cession totale de l'entreprise*) following an order of judicial reorganisation (*redressement judiciaire*) in respect of the Issuer or in the event of the liquidation of the Issuer for any other reason.

Each amount of Arrears of Interest shall bear interest, in accordance with

Article 1154 of the French Civil Code, as if it constituted the nominal amount of the Notes at a rate which corresponds to the Rate of Interest from time to time applicable to the Notes and the amount of such interest (the “**Additional Interest Amount**”) shall be due and payable pursuant to this provision and calculated as described in Condition 5.10.

“**Conditions to Settlement**” are satisfied on any day with respect to any payment of Arrears of Interest and Additional Interest Amounts, if any, if (i) the Issuer has obtained the Prior Approval of the Relevant Supervisory Authority (to the extent such consent is then required by the Applicable Supervisory Regulations and (ii) such day is not a Mandatory Interest Deferral Date.

Redemption at Maturity

Subject to the Conditions to Redemption and Purchase, unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Principal Amount, together with accrued interest thereon, if any, and any Arrears of Interest (including any Additional Interest Amounts thereon), on the Scheduled Maturity Date.

Optional Redemption by the Issuer from the First Call Date

The Issuer may, subject to the fulfilment of the Conditions to Redemption and Purchase, subject to having given not more than forty-five (45) nor less than thirty (30) days’ prior notice to the Noteholders, redeem the Notes then outstanding in whole, but not in part, at their Redemption Amount on the First Call Date or on any Interest Payment Date falling thereafter.

“**Redemption Amount**” means, in respect of any Note, its principal amount, together with interest accrued up to but excluding the date of redemption, Arrears of Interest and Additional Interest Amounts, if any.

Optional Redemption for Taxation Reasons

If at any time the Issuer determines that a Gross-Up Event or a Tax Deductibility Event, has occurred with respect to the Notes on or after the Issue Date, such Notes will be redeemable in whole, but not in part, at the option of the Issuer having given not less than thirty (30) nor more than forty-five (45) days’ notice to the Noteholders, at any time, at their Redemption Amount, subject to the fulfilment of the Conditions to Redemption and Purchase.

A “**Gross-Up Event**” will be deemed to occur if at any time, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective on or after the Issue Date, the Issuer would, on the occasion of the next payment in respect of the Notes, not be able to make such payment without having to pay Additional Amounts.

A “**Tax Deductibility Event**” will be deemed to occur if an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation thereof, becoming effective on or after the Issue Date, the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible is reduced.

Optional Redemption for Regulatory Reasons

If at any time, the Issuer determines that a Capital Disqualification Event has occurred with respect to the Notes on or after the Issue Date, such Notes will be redeemable in whole, but not in part, at the option of the Issuer having given not less than thirty (30) nor more than forty-five (45) days’ prior notice to the Noteholders, at any time, at their Redemption Amount, subject to the fulfilment of the Conditions to Redemption and Purchase.

“**Capital Disqualification Event**” will be deemed to occur if, on or after the

Issue Date, the Relevant Supervisory Authority has notified the Issuer:

- (i) that under the then Applicable Supervisory Regulations, the Notes (in whole or in part) would not be treated as "tier two" own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of its regulatory capital; or
- (ii) that under the then Applicable Supervisory Regulations, the Notes (in whole or in part) no longer fulfil the requirements to be treated as at least "tier two" own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of its regulatory capital, provided that on the issue date, the Notes did fulfil the requirements for inclusion in the determination of at least the "tier two" own funds regulatory capital of the Group,

except where in each case of (i) and (ii), this is merely the result of exceeding any applicable limits on the inclusion of such securities in the "tier two" own funds regulatory capital of the Group pursuant to the then Applicable Supervisory Regulations.

**Optional
Redemption for
Accounting
Reasons**

If at any time the Issuer determines that an Accounting Event has occurred with respect to the Notes on or after the Issue Date, such Notes will be redeemable at any time in whole, but not in part, at the option of the Issuer having given not less than thirty (30) nor more than forty-five (45) days' prior notice to the Noteholders at their Redemption Amount, subject to the fulfilment of the Conditions to Redemption and Purchase.

"Accounting Event" means that an opinion of a recognised accountancy firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that as a result of any change in, or amendment to, the Applicable Accounting Standards the Notes must not, or must no longer be, recorded as "liabilities" in the consolidated financial statements of the Issuer and this cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

"Applicable Accounting Standards" means the International Financial Reporting Standards (IFRS), as applicable at the relevant dates and for the relevant periods, or other accounting principles generally accepted in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applied by the Issuer which subsequently supersede them.

**Optional
Redemption for
Rating Reasons**

If at any time the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, such Notes will be redeemable in whole, but not in part, at the option of the Issuer having given not less than thirty (30) nor more than forty-five (45) days' prior notice to the Noteholders, at any time, at their Redemption Amount, subject to the fulfilment of the Conditions to Redemption and Purchase.

"Rating Methodology Event" will be deemed to occur upon a change in the methodology of the Rating Agency (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such

Rating Agency at or around the Issue Date.

“Rating Agency” means Standard & Poor’s Rating Services (**“Standard & Poor’s”**) or any successor thereto.

Exchange or Variation

If at any time the Issuer determines that an Accounting Event, a Capital Disqualification Event, a Gross-Up Event, a Tax Deductibility Event or a Rating Methodology Event (each a **“Special Event”**) has occurred on or after the Issue Date, the Issuer may, as an alternative to an early redemption of the Notes, at any time, without the consent of the Noteholders,

- (i) substitute the Notes for new notes replacing the Notes (the **“Substituted Notes”**), or
- (ii) vary the terms and conditions of the Notes (the **“Varied Notes”**).

Any such substitution or variation is subject to the following conditions:

- (a) the Substituted Notes or Varied Notes being Qualifying Equivalent Securities;
- (b) the Issuer giving not less than thirty (30) nor more than forty-five (45) days’ notice to the Noteholders;
- (c) the Prior Approval of the Relevant Supervisory Authority being obtained;
- (d) the Issuer complying with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed or admitted to trading, and (for so long as the rules of such exchange require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith, and the Substituted or Varied Notes continuing to be listed or admitted on the same stock exchange as the Notes if they were listed immediately prior to the relevant substitution and/or variation; and
- (e) the issue of legal opinions addressed to the Fiscal Agent for the benefit of the Noteholders from one or more international law firms of good reputation confirming (x) that the Issuer has capacity to assume all rights and obligations under the Substituted Notes or Varied Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Substituted Notes or Varied Notes.

Any such substitution or variation shall be binding on the Noteholders.

“Qualifying Equivalent Securities” means securities which have terms not being prejudicial to the interests of the Noteholders as determined by the senior management of the Issuer in consultation with an independent investment bank of international standing, and provided that a certification to such effect shall have been delivered to the Fiscal Agent (including as to the consultation with the independent investment bank and in respect of the matters specified in (i) to (vii) below) for the benefit of the Noteholders prior to the issue or variation of the relevant securities (upon which the Fiscal Agent shall be entitled to rely without liability to any person) and which:

- (i) satisfy the criteria for the eligibility for inclusion of the proceeds of the Notes under the Applicable Supervisory Regulations in tier two (at least,

or any stronger tier) own funds regulatory capital;

- (ii) shall bear at least the same interest rate from time to time to that applying to the Notes and preserve the Interest Payment Dates;
- (iii) contain new terms providing for mandatory deferral of payments of interest and/or principal only if such terms are not materially less favourable to an investor than the mandatory deferral provisions;
- (iv) shall rank at least *pari passu* with the Notes;
- (v) shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon such redemption, provided that the Substituted Notes or Varied Notes may not be redeemed prior to the First Call Date specified herein (save for redemption, substitution or variation on terms analogous with the terms of the Notes), provided that the relevant substitution or variation may not itself trigger any early redemption right;
- (vi) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and
- (vii) preserve any rights to any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon), and any existing rights to other amounts payable under the Notes which have accrued to Noteholders and not been paid.

Purchases

Subject to the Conditions to Redemption and Purchase, the Issuer may at any time purchase Notes in the open market or otherwise at any price for cancellation or holding in accordance with applicable laws and regulations.

Conditions to Redemption and Purchase:

Any redemption or purchase of the Notes is subject to the conditions that (i) the Issuer has obtained the Prior Approval of the Relevant Supervisory Authority; (ii) no Regulatory Deficiency has occurred and is continuing on the due date for redemption or purchase and such redemption or purchase would not itself cause a Regulatory Deficiency and (iii) if and to the extent required under the then Applicable Supervisory Regulations in order for the Notes to be treated as “tier two” own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of the Group’s regulatory capital, no Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been given to the Noteholders, such redemption notice shall become automatically void and notice of such fact shall be given promptly by the Issuer.

Notwithstanding that a Regulatory Deficiency may have occurred and is continuing on the date due for redemption or purchase, or if such redemption or purchase would itself cause a Regulatory Deficiency, the Notes may still be redeemed or purchased on such date to the extent permitted under, and in accordance with, the Solvency II Directive and/or the Applicable Supervisory Regulations and provided that all of the following conditions are met:

- (a) on or prior to such date, the Prior Approval of the Relevant Supervisory Authority has been exceptionally given with respect to the relevant redemption or purchase of the Notes;
- (b) the relevant redeemed or purchased Notes are replaced by other own funds regulatory capital of at least the same quality; and
- (c) the applicable minimum capital requirement (MCR) (or, if different, whatever terminology is employed for such requirement by the then Applicable Supervisory Regulations) is complied with after the relevant redemption or purchase of the Notes has been made.

Notwithstanding that an Insolvent Insurance Affiliate Winding-up may have occurred and be continuing on the date due for redemption or purchase, the Notes may still be redeemed or purchased on such date to the extent permitted under, and in accordance with, the Solvency II Directive and the Applicable Supervisory Regulations and provided that, on or prior to such date, the Prior Approval of the Relevant Supervisory Authority has been exceptionally given with respect to the relevant redemption or purchase of the Notes.

The Notes may not be:

- redeemed for taxation reasons prior to 27 September 2026 (or 27 September 2021 if a Redemption Alignment Event has occurred) where Additional Amounts have to be paid by the Issuer to compensate for any withholding or deduction in France;
- redeemed for tax reasons where the part of the interest payable by the Issuer under the Notes that is tax-deductible is reduced, prior to 27 September 2021; or
- redeemed following the occurrence of a Capital Disqualification Event, a Rating Methodology Event or an Accounting Event, prior to 27 September 2021; or
- purchased and cancelled as provided prior to 27 September 2021,

unless the relevant redeemed or purchased Notes are replaced by other own funds regulatory capital of at least the same quality.

“Regulatory Deficiency” means:

- (i) the own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group is not sufficient to cover its capital requirements (including, for the avoidance of doubt, the applicable solvency capital requirement (SCR) or the applicable minimum capital requirement (MCR)) (or, if different, whatever terminology is employed to denote such requirement by the then Applicable Supervisory Regulations) whichever occurs earlier; or
- (ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer, that in accordance with the then Applicable Supervisory Regulations at such time, the Issuer must take specified action in relation to payments under the Notes,

in each case without taking into account any Prior Approval of the Relevant Supervisory Authority being granted on an exceptional basis with respect to the payment of interest and/or Arrears of Interest (together with the corresponding

Additional Interest Amount) on, or the redemption or purchase of, the Notes.

“Group” means the Issuer together with its direct and indirect consolidated subsidiaries.

“Relevant Supervisory Authority” means any relevant regulator having jurisdiction over the Group, in the event that the Group is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution* (the **“ACPR”**).

“Insolvent Insurance Affiliate Winding-up” means:

- (i) the winding-up of any Insurance Undertaking within the Group; or
- (ii) the appointment of an administrator of any Insurance Undertaking within the Group,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking within the Group may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance of that Insurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings that reflect any right to receive or expectation of receiving benefits which policyholders may have).

“Insurance Undertaking” has the meaning ascribed to it in the Solvency II Directive.

“Redemption Alignment Event” will be deemed to have occurred if at any time prior to 27 September 2026, the Issuer determines, in consultation with the Relevant Supervisory Authority, that the option to redeem the Notes from 27 September 2021 for taxation reasons where Additional Amounts have to be paid by the Issuer to compensate for any withholding or deduction in France, without such redeemed Notes being required to be replaced by other own funds regulatory capital of at least the same quality, would not cause the Notes to no longer fulfill the requirements in order to be treated under the then Applicable Supervisory Regulations as “tier two” own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of the Group’s regulatory capital and the Issuer gives not less than fifteen (15) nor more than thirty (30) days’ notice of such determination to the Noteholders.

Events of Default None

Cross Default None

Taxation All payments of principal, interest and other amounts by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or other governmental charges whatsoever imposed or levied by or on behalf of France or any political subdivision thereof, or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If such withholding or deduction is required by law, and provided a Tax Alignment Event has occurred and is continuing, the Issuer shall, subject to certain exception, to the extent permitted by law, pay such additional amounts (“**Additional Amounts**”) as may be necessary so that each Noteholder, after such withholding or deduction, the full amount then due and payable thereon in the absence of such withholding or deduction. A “**Tax Alignment Event**” will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay Additional Amounts would not cause the Notes to no longer be treated under Applicable Supervisory Regulations as at least “tier two” own funds regulatory capital (or whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days’ notice of such fact to the Fiscal Agent and the Noteholders.

Further Issues	The Issuer may, from time to time without the consent of the Noteholders, issue further Notes to be assimilated (<i>assimilables</i>) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated notes will, for the defence of their common interests, be grouped in a single <i>Masse</i> having legal personality.
Issuer Senior Rating	BBB+ (stable outlook) (Standard & Poor’s)
Issue Rating	The Notes are expected to be assigned a rating of BBB- by Standard & Poor’s.
Listing and Admission to Trading	Regulated market of Euronext Paris
Form	Dematerialised bearer form (<i>au porteur</i>)
Denomination	The Notes will be issued in the denomination of Euro 100,000 each.
Governing Law	Laws of the Republic of France

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables present summary consolidated financial data for the Group that has been derived from the audited consolidated financial statements as of and for the years ended 31 December 2015 and 2014 and the interim consolidated financial statements as of and for the six months ended 30 June 2016 and 2015 incorporated by reference herein. Investors should read the following summary consolidated financial data of the Group together with the historical consolidated financial statements of the Group, the related notes thereto and the other financial information included or incorporated by reference in this Prospectus. The financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted in the European Union.

Consolidated Income Statement Data

<i>in millions of euros</i>	Year Ended 31 December		Six Months Ended 30 June	
	2014	2015	2015	2016
	<i>(audited)</i>	<i>(audited)</i>	<i>(limited review)</i>	<i>(limited review)</i>
Written premiums	29,377	30,369	15,941	16,832
Change in unearned premiums	(77)	(160)	(452)	(474)
Earned premiums	29,300	30,209	15,489	16,358
Revenue or income from other activities	123	137	80	55
Investment income net of expenses	12,576	10,000	6,547	3,066
Claims expenses	(36,559)	(34,523)	(19,128)	(16,592)
Result from reinsurance	(42)	(93)	(67)	(25)
Contracts acquisition costs	(1,973)	(2,046)	(1,055)	(1,019)
Amortization of value of business in-force and similar	(2)	(1)	--	--
Administrative expenses	(1,305)	(1,382)	(683)	(736)
Other current operating income and expenses	(267)	(242)	(169)	(88)
Other operating income and expenses	--	(17)	(12)	(10)
Operating income	1,851	2,042	1,002	1,009
Financing expenses	(376)	(402)	(219)	(97)
Income tax	(479)	(603)	(286)	(260)
Profit/loss after-tax on discontinued operations ⁽¹⁾	--	3	1	--
Consolidated net income	996	1,040	498	652
Non-controlling interests	5	4	2	2
Net income (Group share)	992	1,036	496	650

(1) Figures reflect the classification of the Group's CA Life Greece entity under discontinued operations. See Note 2 to the annual financial statements as of and for the year ended 31 December 2015.

Consolidated Balance Sheet Data

<i>in millions of euros</i>	As of 31 December		As of 30 June	
	2014 <i>(audited)</i>	2015 <i>(audited)</i>	2015 <i>(limited review)</i>	2016 <i>(limited review)</i>
Intangible assets	1,123	1,126	1,122	1,137
Investments from insurance activities	317,685	333,364	329,162	345,647
Reinsurers' share in liabilities arising from insurance and financial contracts	1,323	1,394	1,350	1,525
Other assets	6,239	6,794	5,904	9,305
Assets held for sale including discontinued operations ⁽¹⁾	--	400	502	329
Cash and cash equivalents	2,907	1,970	4,174	1,877
Total assets	329,277	345,048	342,214	359,819
Group shareholders' equity	12,556	14,077	13,703	15,086
Non-controlling interests	34	32	31	31
Total shareholders' equity	12,590	14,109	13,734	15,117
Provisions	231	217	234	166
Financing debt	6,238	5,008	5,287	6,125
Technical liabilities	285,851	295,080	291,930	305,050
Other liabilities	24,367	30,275	30,566	33,073
Liabilities held for sale including discontinued operations ⁽¹⁾	--	359	463	288
Total liabilities	329,277	345,048	342,214	359,819

(1) Figures reflect the classification of the Group's CA Life Greece entity under discontinued operations. See Note 2 to the annual financial statements as of and for the year ended 31 December 2015.

RISK FACTORS

Prior to making an investment decision, prospective investors should consider carefully all of the information set out and incorporated by reference in this Prospectus, including in particular the following risk factors. This section is not intended to be exhaustive and prospective investors should make their own independent evaluations of all risk factors and also read the detailed information set out elsewhere in this Prospectus. Terms defined in "Terms and Conditions of the Notes" shall have the same meaning where used below.

Risks Relating to the Issuer and the Financial Markets

Market fluctuations and general economic, market and political conditions may adversely affect the Group's business and profitability.

The Group's business and results of operations are materially affected by conditions in the global financial markets and by economic conditions in France and the other markets where the Group operates. Extreme market events, such as the global financial crisis during 2008 and 2009, have at times led, and could in the future lead, to a lack of liquidity, highly volatile markets, a steep depreciation in asset values across all classes, an erosion of investor and public confidence, and a widening of credit spreads. Although markets have stabilized since the global financial crisis, a wide variety of factors continue to negatively impact economic conditions and consumer confidence in France and in the other jurisdictions where the Group does business and contribute to continuing volatility in financial markets. These factors include, among others, concerns over the creditworthiness of certain sovereign issuers, particularly in Europe, the impact of the decision of the United Kingdom to leave the European Union, the strengthening or weakening of foreign currencies against the Euro, the availability and cost of credit, the stability and solvency of certain financial institutions and other companies, the risk of future inflation as well as deflation in certain markets, central bank intervention in the financial markets, volatile energy costs, and geopolitical issues. These factors may adversely affect liquidity, increase volatility, decrease asset prices, erode confidence and lead to wider credit spreads. Difficult economic conditions could also result in increased unemployment and a severe decline in business across a wide range of industries and regions. These market and economic factors could have a material adverse effect on our businesses, results of operations, financial condition and liquidity.

Factors such as consumer spending, business investment, government spending, regulation, the volatility and strength of the capital markets, and inflation all affect the business and economic environment and, ultimately, the Group's activities and the profitability of the Group's business. In an economic downturn characterized by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for the Group's financial and insurance products could be adversely affected. In addition, the Group may experience an elevated incidence of lapses or surrenders on certain types of policies, lower surrender rates than anticipated on other types of products and the Group's policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. Adverse economic conditions could also lead to declines in the valuation and performance of the Group's investment portfolio, including investments in obligations of adversely affected sovereign or corporate issuers, increased credit losses, impairments of goodwill and other long-lived assets, limitations on the recoverability of deferred tax assets, a decline in new business levels and renewals and higher borrowing costs.

In 2015, the Group's life and non-life segments in France accounted for 78% of the Group's revenues. Given this concentration, a significant deterioration in French economic conditions would have a greater impact on the Group's results of operations and financial condition than would be the case for a group with more internationally diversified activities.

Recent economic and financial conditions in Europe have had and may continue to have an adverse impact on the Group and the markets in which it operates.

European markets have recently experienced significant disruptions that have affected economic growth. Initially originating from concerns regarding the ability of certain countries in the euro zone to refinance their debt obligations, these disruptions have created uncertainty more generally regarding the near term economic prospects of countries in the European Union, as well as

the quality of debt obligations of sovereign debtors in the European Union. There has also been an indirect impact on financial markets in Europe and worldwide.

In recent years a number of European sovereigns and major European financial institutions have been downgraded by credit rating agencies in light of the continuing uncertainty stemming from the European debt crisis and future of the Euro, including in the Group's home market of France, which saw its sovereign obligations downgraded by certain rating agencies in 2011, 2012, 2013, 2014 and 2015, in some cases resulting in the mechanical downgrading of the credit rating by the same agencies of French commercial banks debt issues, including those of the Issuer's parent, Crédit Agricole S.A. S&P currently rates France's sovereign obligations "AA" with a "negative outlook." In addition, the crisis has had a particularly strong impact in certain other European countries where the Group operates, including Italy, Portugal and Greece. Continuing or worsening of the euro-zone crisis could have a material adverse effect on the Group's results of operations or financial condition.

The solvency capital ratios of the Group and its insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors.

Under the Solvency II Directive requirements that went into effect on 1 January 2016, the Group is required to maintain eligible own funds sufficient to meet solvency capital requirements (and lower minimum capital requirements) calculated in the manner set forth in the applicable rules, which permit calculation based on either a standard formula or an internal model approved by the regulator. The Group has chosen the standard approach based on a formula and assumptions proposed by the European Insurance and Occupational Pensions Authority (EIOPA), without taking advantage of any transitional measures. Based on the standard formula calculations (without transitional measures other than the grandfathering of subordinated debt) the Group's Solvency II solvency capital ratio was 178% at the end of 2015, and 156% at 30 June 2016.

The Group's solvency capital ratios are sensitive to capital market conditions (including the level of interest rates, the level of equity markets and foreign exchange impacts) as well as a variety of other factors.

Management monitors the solvency capital ratios of the Group and its insurance subsidiaries on an on-going basis both for regulatory compliance purposes and to ensure that the Group and its subsidiaries are appropriately positioned from a competitive point of view. Insurance regulators generally have broad discretion in interpreting, applying and enforcing their rules and regulations with respect to solvency and regulatory capital requirements and, during periods of extreme financial market turmoil of the type the market has experienced over the recent years, regulators may become more conservative in the interpretation, application and enforcement of these rules which may involve them, for example, imposing increased reserving requirements for certain types of risks, greater liquidity requirements, higher discounts/"haircuts" on certain assets or asset classes, more conservative calculation methodologies or taking other similar measures which may significantly increase regulatory capital requirements.

In the event of a failure by the Group and/or any of its insurance subsidiaries to meet the applicable regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions including limiting or prohibiting the issuance of new business, prohibiting payment of dividends, and/or, in extreme cases, putting a company into rehabilitation or insolvency proceedings. A failure of any of the Group's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Group deciding to inject significant amounts of new capital into its insurance subsidiaries which could adversely affect the Group's liquidity position, results of operations and financial position. Regulatory restrictions that inhibit the Group's ability to freely move excess capital among its subsidiaries or which otherwise restrict fungibility of the Group's capital resources may, depending on the nature and extent of the restrictions, adversely affect the capital position of the Group's operating insurance subsidiaries which may have a consequent negative impact on the Group and the perception of its financial strength. Additional regulatory developments regarding solvency requirements, including further implementing measures under the Solvency II Directive or changes resulting from further efforts by EIOPA to harmonize implementation of the Solvency II Directive may lead to further changes in the insurance industry's solvency framework and prudential regime as well as associated costs. It is difficult to

predict how the regulations resulting from such initiatives and proposals will affect the insurance industry generally or the Group's results of operations, financial condition and liquidity.

Rating agencies also take into account the Group's consolidated capital requirements and the regulatory capital position of its insurance subsidiaries in assessing the Group's financial strength and credit ratings. Rating agencies may make changes to their internal models from time to time that may increase or decrease the amount of capital the Group must hold in order to maintain its current ratings.

Management has developed various contingency plans designed to ensure that the Group's consolidated capital and the regulatory capital levels of its insurance subsidiaries remain well in excess of regulatory minimum requirements and at levels that leave the Group and its subsidiaries well positioned from a competitive point of view. There can be no assurance, however, that these plans will be effective to achieve their objectives and any failure by the Group and/or its insurance subsidiaries to meet minimum regulatory capital requirements and to maintain regulatory capital at competitive levels could have a material adverse effect on the Group's business, liquidity, credit ratings, results of operations and financial position.

Losses due to defaults by financial institution counterparties, reinsurers and/or other third parties could negatively affect the value of the Group's investments and reduce the Group's profitability.

Third parties that owe the Group money, securities or other assets may not pay or perform under their obligations. These parties include private sector and government (or government-backed) issuers whose securities the Group holds in the Group's investment portfolios (including mortgage-backed, asset-backed, government bonds and other types of securities), borrowers under mortgages and other loans that the Group extends, reinsurers to which the Group has ceded insurance risks, customers, trading counterparties, counterparties under swap and other derivative contracts, other counterparties including brokers and dealers, commercial and investment banks, hedge funds, other investment funds, clearing agents, market exchanges, clearing houses and other financial institutions. Many of the Group's transactions with these third parties expose the Group to credit risk in the event of default of the Group's counterparty.

The Group relies on entities in the Crédit Agricole Group to distribute its insurance products and perform a range of other important services.

The Group relies primarily on the networks of banks affiliated with the Crédit Agricole Group to distribute its products. As a result, factors affecting the competitive position, reputation or credit quality of the banks in the Crédit Agricole Group could have an adverse effect on the Group's revenues, reputation and results of operations. Similarly, in countries where the Group distributes its products primarily through other partner banks, factors affecting the reputation, performance or credit quality of those banks could have an adverse impact on sales of the Group's products through those channels.

In addition to the distribution of its products, the Group has also entered into contractual outsourcing arrangements with members of the Crédit Agricole Group and other third-party service providers for a certain other services required in connection with the day-to-day operation of the Group's insurance businesses. Deficiencies in the performance of outsourced services may expose the Group to significant operational, financial and reputational risk.

The Group's reliance on its affiliates to provide it with important services may give rise to conflicts of interest. Failure to manage these conflicts of interest appropriately could have a material adverse effect on the Group's reputation, revenues or results of operations.

Credit spread and interest rate volatility may adversely affect the Group's profitability.

The Group's exposure to credit spreads primarily relates to market price and cash flow variability associated with changes in credit spreads. A widening of credit spreads will generally reduce the value of fixed income securities the Group holds (including credit derivatives where the Group assumes credit exposure) and increase the Group's investment income associated with purchases of new fixed income securities in the Group's investment portfolios. Conversely, credit spread tightening will generally increase the value of fixed income securities the Group holds and

reduce the Group's investment income associated with new purchases of fixed income securities in the Group's investment portfolios.

Changes in prevailing interest rates may also negatively affect the Group's business. The Group's exposure to interest rate risk relates primarily to the market price and cash flow variability associated with changes in interest rates. Changes in the interest rates may negatively affect the value of the Group's assets and the Group's ability to realize gains or avoid losses from the sale of those assets, all of which also ultimately affect earnings.

During periods of declining interest rates:

- life insurance and retirement savings products may be relatively more attractive to consumers due to minimum guarantees in these products, resulting in increased premium payments on products with flexible premium features, and a higher percentage of insurance policies and retirement savings contracts remaining in force from year-to-year, creating asset liability duration mismatches;
- the Group may be required to increase provisions for guarantees included in life insurance and retirement savings contracts, as the guarantees become more valuable to policy holders and surrender and lapse assumptions require updating; and
- the Group's investment earnings may decrease due to a decline in interest earnings on the Group's fixed income investments.

Conversely, in periods of increasing interest rates:

- surrenders of life insurance policies and retirement savings contracts may increase as policyholders choose to forego insurance protection and seek higher investment returns;
- obtaining cash to satisfy these obligations following such surrenders may require the Group to liquidate fixed maturity investments at a time when market prices for those assets are depressed because of increases in interest rates which may result in realized investment losses and decrease the Group's net income;
- accelerated surrenders may also cause the Group to accelerate amortization of deferred contracts acquisition costs, which would reduce the Group's net income;
- the Group's fee income may decrease due to a decline in the value of account balances invested in fixed income funds;
- there may be a decrease in the estimated fair value of certain fixed income securities the Group holds in the Group's investment portfolios, resulting in reduced levels of unrealized capital gains available to the Group, which could negatively impact the Group's solvency margin position and net income; and
- the Group may be required, as an issuer of securities, to pay higher interest rates on debt securities the Group issues in the financial markets from time to time to finance the Group's operations or its regulatory capital requirements, which would increase the Group's interest expenses and reduce the Group's results of operations.

The Group's mitigation efforts with respect to interest rate risks are primarily focused on maintaining an investment portfolio with diversified maturities that has a weighted average duration that is approximately equal to the duration of the Group's estimated liability cash flow profile. However, the Group's estimate of the liability cash flow profile may be inaccurate and the Group may be forced to liquidate investments prior to maturity at a loss in order to cover the liability. Although the Group takes measures to manage the economic risks of investing in a changing interest rate environment, the Group may not be able to mitigate the interest rate risk of the Group's assets relative to the Group's liabilities.

Ongoing volatility in interest rates and credit spreads, individually or in tandem with other factors (such as lack of market liquidity, declines in equity prices and the strengthening or weakening

of foreign currencies against the Euro, and/or structural reforms or other changes made to the Euro, the Eurozone or the European Union), could have a material adverse effect on the Group's consolidated results of operations, financial position or cash flows through realized losses, impairments, and changes in unrealized gains and loss positions.

Fluctuations in currency exchange rates may affect the Group's reported earnings.

The Group publishes its consolidated financial statements in Euro. A portion of the Group's insurance written premiums and financial services revenues, as well as the Group's benefits, claims and other deductions were denominated in currencies other than the Euro. The Group's obligations are denominated either in Euro or other currencies, the value of which is subject to foreign currency exchange rate fluctuations.

While the Group seeks to manage its exposure to foreign currency fluctuations through hedging, fluctuations in the exchange rates may have a significant impact on the Group's results of operations, cash flows, shareholders' equity and solvency. For example, a strengthening or weakening of the Euro against the US Dollar and/or certain other currencies may adversely affect the Group's results of operations and the price of its securities. In addition, the currency hedges used by the Group to manage foreign exchange rate risk may significantly impact its cash position.

A sustained increase in the inflation rate in the Group's principal markets would have multiple impacts on the Group and may negatively affect the Group's business, solvency position and results of operations.

A sustained increase in the inflation rate in the Group's principal markets could have multiple impacts on the Group and may negatively affect the Group's business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates, with the consequences noted above. A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. In addition, in the context of certain property and casualty risks underwritten by impact the Group's insurance subsidiaries a sustained increase in inflation may result in (i) claims inflation (i.e. an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim), coupled with (ii) an underestimation of corresponding claims reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable to policyholders, and, consequently, (iii) actual claims payments significantly exceeding associated insurance reserves which would negatively impact the Group's results of operations. A failure to accurately anticipate higher inflation and factor it into the Group's product pricing assumptions may also underwriting losses which would negatively impact the Group's results of operations.

A downgrade in the Group's claims paying ability and credit strength ratings could adversely impact the Group's business, results of operations and financial condition.

Claims paying ability and credit strength ratings are important factors in establishing the competitive position of insurance companies. Rating agencies review their ratings and rating methodologies on a recurring basis and may change their ratings at any time. Consequently, the Group's current ratings may not be maintained in the future. A downgrade or the potential for a downgrade of the Group's ratings could have a variety of negative impacts including (i) damaging the Group's competitive position, (ii) negatively impacting the Group's ability to underwrite new insurance policies, (iii) increasing the levels of surrenders and termination rates of the Group's in-force policies, (iv) increasing cost of obtaining reinsurance, (v) negatively impacting the Group's ability to obtain financing and/ or increasing the Group's cost of financing, (vi) triggering additional collateral requirements under certain agreements to which the Group is party, (vii) harming the Group's relationships with creditors or trading counterparties and/or (viii) adversely affecting public confidence in the Group. Any of these developments could have a material adverse effect on the Group's business, liquidity position, results of operations, revenues and financial condition.

The Group's valuation of certain investments may include methodologies, estimations and assumptions which are subject to differing interpretations and could result in changes to investment valuations that may materially adversely affect the Group's results of operations and financial condition.

Certain of the Group's investment assets, for which there is no active trading market or other observable market data, are valued using models and methodologies that involve estimates, assumptions and significant management judgment. During periods of market disruption, a larger portion of the Group's investment assets may be valued using these models and methodologies as a result of less frequent trading or less observable market data with respect to certain asset classes that were previously actively traded in liquid markets. There can be no assurance that the Group's valuations on the basis of these models and methodologies represent the price for which a security may ultimately be sold or for which it could be sold at any specific point in time. Use of different models, methodologies and/or assumptions may have a material impact on the estimated fair value amounts and could have a material adverse effect on the Group's results of operations and financial condition.

The determination of the amount of allowances and impairments taken on the Group's investments requires use of significant management judgment in certain cases, particularly for debt instruments, and could materially impact the Group's results of operations or financial position.

The determination of the amount of allowances and impairments under the Group's accounting principles and policies with respect to investments varies by investment type and is based upon the Group's periodic evaluation and assessment of known and inherent risks associated with the respective asset class. In considering impairments, management considers a wide range of factors and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and the prospects for near-term recovery. For certain asset classes, particularly debt instruments, management's evaluation involves a variety of assumptions and estimates about the operations of the relevant issuer and its future earnings potential. The need for additional impairments and/or allowances may have a material adverse effect on the Group's consolidated results of operations and financial position.

The Group's hedging programs may be inadequate to protect the Group against the full extent of the exposure or losses the Group seeks to mitigate which may negatively impact the Group's business, results of operations and financial condition.

The Group uses derivatives to hedge certain, but not all, risks under guarantees provided to the Group's clients. These hedging techniques are designed to reduce the economic impact of unfavorable changes to certain of the Group's exposures under the guarantees due to movements in the equity and fixed income markets and other factors. In certain cases, however, the Group may not be able to effectively hedge the Group's risks as intended or expected or may choose not to hedge certain risks because the derivative market(s) in question may not be of sufficient size or liquidity, the cost of hedging may be too expensive (as a result of adverse market conditions or otherwise), the nature of the risk itself may limit the Group's ability to effectively hedge or for other reasons. This may result in higher realized losses and unanticipated cash needs to collateralize or settle transactions. In addition, hedging counterparties may fail to perform their obligations, resulting in unhedged exposures and losses on positions that are not collateralized. The operation of the Group's hedging program is based on models involving numerous estimates and management judgments. The Group's hedging program may change in time and there can be no assurance that ultimate actual experience will not differ materially from the Group's assumptions, which could adversely impact the Group's results of operations and financial condition.

The assumptions the Group uses to determine the appropriate level of insurance reserves involve a significant degree of management judgment and predictions about the future that are inherently uncertain; if these assumptions are not correct, they may have an adverse impact on the Group's results of operations or relevant performance indicators.

The establishment of insurance reserves, including the impact of minimum guarantees are inherently uncertain processes involving assumptions about factors such as policyholder behavior (e.g. lapses, persistency, etc.), court decisions, changes in laws and regulations, social, economic

and demographic trends, inflation, investment returns and other factors, and, in the life insurance business, assumptions concerning mortality and morbidity trends. The use of different assumptions about these factors could have a material effect on insurance reserves and underwriting expenses as well as performance indicators followed by investors.

If the loss reserves established for the Group's property and casualty and international insurance businesses are insufficient, the Group's earnings will be adversely affected.

In accordance with industry practices and accounting and regulatory requirements, the Group establishes reserves for claims and claims expenses related to the Group's property and casualty and international insurance businesses. Reserves do not represent an exact calculation of liability, but instead represent estimates, generally using actuarial projection techniques at a given accounting date. These reserve estimates are expectations of what the ultimate settlement and administration of claims will cost based on the Group's assessment of facts and circumstances then known, review of historical settlement patterns, estimates of trends in claims severity, frequency, legal theories of liability and other factors. No assurance can be given that ultimate losses will not materially exceed the Group's claims reserves and have a material adverse effect on the Group's results of operations.

Claims experienced could be inconsistent with the assumptions the Group uses to price the Group's products and establish the Group's reserves and adversely affect the Group's earnings.

The Group's earnings depend significantly upon the extent to which the Group's actual claims experience is consistent with the assumptions the Group uses in setting the prices for the Group's products and establishing the liabilities for obligations for technical provisions and claims. The Group uses both its own experience and industry data to develop estimates of future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no assurance that actual experience will match these estimates and emerging risks such as pandemic diseases could result in loss experience inconsistent with the Group's pricing and reserving assumptions. To the extent that the Group's actual benefits paid to policyholders are less favorable than the underlying assumptions used in initially establishing the future policy benefit reserves, or events or trends cause the Group to change the underlying assumptions, the Group may be exposed to greater than expected liabilities, which may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's insurance operations are exposed to the risk of catastrophic events. The extent of losses from a catastrophe is a function of both the total amount of insured exposure in the area affected by the event and the severity of the event. Most catastrophes are restricted to small geographic areas; however, hurricanes, earthquakes, man-made catastrophes may produce significant damage or loss of life or property damage in larger areas, especially those that are heavily populated. Similarly, the Group's life insurance operations are exposed to the risk of catastrophic mortality, such as a pandemic or other event that causes a large number of deaths. Significant influenza pandemics have occurred three times in the last century; however, the likelihood, timing, and severity of a future pandemic cannot be predicted. A significant pandemic could have a major impact on the global economy or the economies of particular countries or regions, including travel, trade, tourism, the health system, food supply, consumption, overall economic output and, eventually, on the financial markets. The effectiveness of external parties, including governmental and non-governmental organizations, in combating the spread and severity of such a pandemic could have a material impact on the losses experienced by the Group.

Claims resulting from catastrophic events could cause substantial volatility in the Group's financial results and could materially reduce its profitability or harm its financial condition. In addition, catastrophic events could harm the financial condition of issuers of obligations the Group holds in its investment portfolio, resulting in impairments to these obligations, and the financial condition of its reinsurers, thereby increasing the probability of default on reinsurance recoveries. Large-scale catastrophes may also reduce the overall level of economic activity in affected countries which could hurt the Group's business and the value of its investments or ability to write new business. It is possible that increases in the value, caused by the effects of inflation or other factors, and geographic concentration of insured lives or property, could increase the severity of claims the Group receives from future catastrophic events. Although the Group takes efforts to limit its exposure to catastrophic risks through volatility management and reinsurance programs, these efforts do not eliminate all risk.

Catastrophes can be caused by various events, including hurricanes, windstorms, earthquakes, hail, tornadoes, explosions, severe winter weather (including snow, freezing water, ice storms and blizzards), fires and man-made events such as terrorist attacks. Due to their nature, the Group cannot predict the incidence, timing and severity of catastrophes. In addition, changing climate conditions, primarily rising global temperatures, may increase the frequency and severity of natural catastrophes such as hurricanes. While the Group attempts to limit its exposure to acceptable levels, subject to restrictions imposed by insurance regulatory authorities, a catastrophic event or multiple catastrophic events could have a material adverse effect on the Group's business, results of operations and financial condition. The Group's ability to manage this risk depends in part on its ability to obtain catastrophe reinsurance, which may not be available at commercially acceptable rates in the future.

Increases in the severity or frequency of natural or man-made disasters could result in greater than expected losses and adversely affect the Group's results of operations.

Over the past several years, changing weather patterns and climatic conditions, including global warming, have added to the unpredictability and frequency of natural disasters (including hurricanes, windstorms, hailstorms, earthquakes, fires, explosions, freezes and floods) and, together with man-made disasters and core infrastructure failures (including acts of terrorism, military actions, power grid and telephone/internet infrastructure failures), created additional uncertainty as to future trends and exposures. If the Group is unable to successfully manage its exposure to these risks, it could experience significant losses that could adversely affect its results of operations.

Default of a reinsurer or increased reinsurance costs could adversely affect net income.

The Group enters into reinsurance contracts to limit its risk. Under these arrangements, other reinsurers assume a portion of the claims and related expenses in connection with insurance policies the Group writes. The availability, amount and cost of reinsurance depend on prevailing market conditions, in terms of price and available capacity, which may vary significantly.

While the purpose of reinsurance agreements is to transfer a portion of losses and related expenses to other insurers, they do not eliminate the requirement for the Group, the direct insurer, to settle claims. In this regard, the Group is thus subject to the solvency risk of its reinsurers at the time that sums due are recovered from them. Although the Group initially places its reinsurance with reinsurers that the Group believes to be financially stable, this may change adversely by the time recoveries are due which could be many years later. A reinsurer's failure to make payment under the terms of a significant reinsurance contract would have a material adverse effect on the Group's businesses, financial condition and results of operations. In addition, after making large claims on the Group's reinsurers, the Group may have to pay substantial reinstatement premiums to continue reinsurance cover.

Furthermore, the availability, amount and cost of reinsurance depend on overall current economic conditions and may vary considerably. In the future, the Group may be unable to obtain reinsurance at commercially reasonable prices, thus increasing its risk of loss due to lower levels of reinsurance, or its income statement could be adversely affected by the increased cost of reinsurance for its already-reinsured activities.

Inadequate or failed processes or systems, human factors or external events may adversely affect the Group's profitability, reputation or operational effectiveness.

Operational risk is inherent in the Group's business and can manifest itself in various ways, including business interruption, poor vendor performance or default (including under significant outsourcing arrangements), information systems malfunctions or failures, hacking incidence and/or other unauthorized intrusions into the Group's websites and/or information systems, regulatory breaches, human errors, employee misconduct, and external fraud. The Group also faces the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries the Group uses to facilitate securities transactions. These events can potentially result in financial loss, impairment to the Group's liquidity, a disruption of the Group's businesses, regulatory sanctions or damage to the Group's reputation.

The Group faces strong competition in all of its business segments.

There is substantial competition among general insurance companies in France and the other jurisdictions in which the Group does business. Some of the Group's competitors may benefit from greater financial and marketing resources or name recognition than the Group. The recent consolidation in the global financial services industry has also enhanced the competitive position of some of the Group's competitors compared to the Group by broadening the range of their products and services, and increasing their distribution channels and their access to capital.

The Group's competitors include not only other insurance companies, but also mutual fund companies, asset management firms, private equity firms, hedge funds and commercial and investment banks, many of which are regulated differently than the Group is and may be able to offer alternative products or more competitive pricing than the Group.

In addition, development of alternative distribution channels for certain types of insurance and securities products, including through the internet, may result in increasing competition as well as pressure on margins for certain types of products. While the Group seeks to maintain premium rates at targeted levels, the effect of competitive market conditions may have a material adverse effect on the Group's market share and financial condition. These competitive pressures could result in increased pricing pressures on a number of the Group's products and services, particularly as competitors seek to win market share, which could harm the Group's ability to market certain products profitably.

Changes in government policy, regulation or legislation in the countries in which the Group operates may affect the Group's profitability.

The Group is subject to extensive regulation and supervision in the various jurisdictions in which its French and international insurance subsidiaries do business. Applicable regulations relate to a range of matters, including licensing and examination, rate setting, trade practices, policy reforms, limitations on the nature and amount of certain investments, underwriting and claims practices, mandated participation in shared markets and guarantee funds, adequacy of the Group's claims provisions, capital and surplus requirements, insurer solvency, transactions between affiliates, the amount of dividends that may be paid and underwriting standards. Such regulation and supervision is primarily for the benefit and protection of policyholders and not for the benefit of investors. In some cases, regulation in one country may affect business operations in another country. As the amount and complexity of these regulations increase, so will the cost of compliance and the risk of non-compliance. If the Group does not meet regulatory or other requirements, the Group may suffer penalties including fines, suspension or cancellation of its insurance licenses which could adversely affect the Group's ability to do business. In addition, significant regulatory action against the Group could have material adverse financial effects, cause significant reputational harm or harm the Group's business prospects.

In addition, the Group may be adversely affected by changes in government policy or legislation applying to companies in the insurance industry. These include possible changes in regulations covering pricing and benefit payments for certain statutory classes of business, the deregulation and nationalization of certain classes of business, the regulation of selling practices, the regulations covering policy terms and the imposition of new taxes and assessments or increases in existing taxes and assessments. Regulatory changes may affect the Group's existing and future businesses by, for example, causing customers to cancel or not renew existing policies or requiring the Group to change its range of products or to provide certain products and services, redesign its technology or other systems, retrain its staff, pay increased tax or incur other costs. It is not possible to determine what changes in government policy or legislation will be adopted in any jurisdiction in which the Group operates and, if so, what form they will take or in what jurisdictions they may occur. Insurance laws or regulations that are adopted or amended may be more restrictive than the Group's current requirements, may result in higher costs or limit the Group's growth or otherwise adversely affect the Group's operations.

Similarly, changes to the tax laws in France or in other countries where the Group operates may have adverse consequences either on some of the Group's products and reduce their attractiveness, especially those that currently receive favorable tax treatment, or on the Group's own tax expense. Examples of such changes include the tax treatment of life insurance savings products and retirement

savings plans, which frequently provide important tax incentives or disincentives to investing in some asset classes or product categories.

Risks Relating to the Notes

The Notes are subordinated obligations of the Issuer.

The Obligations of the Issuer under the Notes in respect of principal, interest and other amounts are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank (i) subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer; (ii) *pari passu* without any preference among themselves and with all other subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those that rank or are expressed by their terms to rank junior to the Notes; and (iii) in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any deeply subordinated notes issued by the Issuer, and any class of share capital, whether represented by ordinary shares or preference shares (*actions de préférence*) issued by the Issuer.

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of judicial rehabilitation (*redressement judiciaire*), the sale of the whole business (*cession totale de l'entreprise*) of the Issuer, or if the Issuer is liquidated for any reason, the rights of the Noteholders in respect of principal, interest (including any outstanding Arrears of Interest and/or Additional Interest Amount) will be subordinated to the payments of claims of other creditors of the Issuer (other than subordinated claims) including insurance companies and entities referred to in article R.322-132 of the French *Code des assurances* reinsured by the Issuer, and holders of insurance policies issued by such entities and creditors with respect to unsubordinated obligations.

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and relative interest will be terminated.

Deferrals of Interest Payments.

On any Optional Interest Payment Date (as defined in “*Terms and Conditions of the Notes—Interest*”) the Issuer may, at its option, elect to defer payment of all (but not some only) of the interest accrued to that date, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose.

On any Mandatory Interest Deferral Date (as defined in “*Terms and Conditions of the Notes*”), the Issuer will be obliged to defer payment of all (but not some only) of the interest accrued to that date, and the Issuer will have no obligation to make such payment.

Any interest not paid on an Optional Interest Payment Date or a Mandatory Interest Deferral Date and deferred shall so long as they remain outstanding constitute Arrears of Interest and shall be payable subject to the fulfillment of the Conditions to Settlement as outlined in Condition 5.10(iii) of the Terms and Conditions of the Notes.

Any deferral of interest payments will be likely to have an adverse effect on the market price of the Notes. In addition, as a result of the above provisions of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to the above provisions and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Early redemption risk.

Subject to the fulfillment of the Conditions to Redemption and Purchase, the Issuer may redeem the Notes in whole, but not in part, on the Interest Payment Date falling on the First Call Date or on any Interest Payment Date thereafter.

The Issuer may also, at its option, redeem the Notes in whole, but not in part, upon the occurrence of certain events, including a Gross-up Event, a Tax Deductibility Event, a Capital

Disqualification Event, an Accounting Event or a Rating Methodology Event, as further described in "*Terms and Conditions of the Notes—Redemption and Purchase*".

Such redemptions will be exercised at the principal amount of the Notes together with interest accrued to the date of redemption, any Arrears of Interest and Additional Interest Amounts (if any) thereon at such date.

The redemption at the option of the Issuer may affect the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to the First Call Date.

The Issuer may also be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes. Potential investors should consider reinvestment risk in light of other investments available at that time.

There are no events of default under the Notes.

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

The Notes contain no limitation on issuing or guaranteeing debt ranking senior or "pari passu" with the Notes or preventing the Issuer from pledging its assets.

There is no restriction on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under and in connection with the Notes. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including deferral of interest and, if the Issuer were liquidated (whether voluntarily or not), the Noteholders could suffer loss of their entire investment. In addition, the Notes do not contain any "negative pledge" or similar clause, meaning that the Issuer and its subsidiaries and affiliates may pledge its or their assets to secure other obligations without granting similar security in respect of the Notes.

Any decline in the credit rating of the Issuer may affect the market value of the Notes.

Standard & Poor's has assigned a BBB+ (stable outlook) rating to the Issuer and is expected to assign an initial rating of BBB- to the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.

Credit rating agencies continually revise their ratings for companies that they follow. Any ratings downgrade could adversely affect the trading prices of the Notes or the trading markets for the Notes to the extent trading markets for the Notes develop. For example, in December 2015, following the loss of a one-notch uplift for government support at the Crédit Agricole S.A. level, Standard & Poor's made corresponding one notch downward adjustments to the credit rating of the Issuer to BBB+ (stable outlook) from A- (negative outlook), and that of its operating insurance subsidiaries Predica and Pacifica to A- (stable outlook) from A (negative outlook).

Standard & Poor's or any other rating agency may also change its methodologies for rating securities with features similar to the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their

practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes.

Optional redemption, exchange or variation of the Notes.

The Notes are issued for capital adequacy regulatory purposes with the intention that all the proceeds of the Notes be eligible as at least "tier two" own funds regulatory capital for the purpose of the determination of the regulatory capital of the Issuer, subject to any limits on inclusion of such securities in its own funds regulatory capital.

There can be no assurance that following their initial publication, the "level two" implementation measures and "level three" guidance under the Solvency II directive will not be amended.

In particular, there continue to be material uncertainties around the impact of the more detailed technical requirements of Solvency II. The new framework will, among other things, cover the definition of "own funds" capital and, accordingly, will set out the features which any capital must have

Accordingly, there is a risk that, after the issue of the Notes, a Regulatory Event may occur which would entitle the Issuer, without the consent or approval of the Noteholders, to exchange or vary the Notes, subject to not being prejudicial to the interest of the Noteholders and subject to such Exchanged or Varied Notes being Qualified Exchange Securities.

Alternatively, the Issuer reserves the right, under the same circumstances, to redeem the Notes early as further described in "Early redemption risk" above and in "*Terms and Conditions of the Notes— Redemption and Purchase*". The Notes may also be redeemed, exchanged or varied without the consent of the Noteholders further to a Capital Disqualification Event, an Accounting Event, a Gross-Up Event, a Tax Deductibility Event or a Rating Methodology Event.

In such a case, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to reinvest at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Taxation.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes. Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in the Noteholder's home jurisdiction or in other jurisdictions in which it is required to pay taxes (including, where applicable, the country where the Notes are transferred). In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Certain French and U.S. tax matters relating to an investment in the Notes are summarized under the section entitled "*Taxation*" below; however, that section does not contain a comprehensive description of the tax impact of an investment in the Notes and the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. Potential investors cannot rely upon such tax summary contained in this Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only this adviser is in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

No gross-up obligation unless a Tax Alignment Event has occurred.

If French law should require any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer will not pay such additional amounts as would be necessary for each Noteholder, after such withholding or deduction to receive the full amount then due and payable in the absence of such withholding or deduction, unless a Tax Alignment Event has occurred and is continuing and subject to the relevant anniversary having elapsed.

The proposed financial transactions tax.

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") to be implemented under the enhanced cooperation procedure by eleven Member States (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The FTT would impose a charge at generally not less than 0.1% of the sale price on such transactions. As a consequence, transactions in the Notes would be subject to higher costs and the liquidity of the market for the Notes may be diminished.

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

The Council of the European Union on Economic and Financial Affairs indicated in June 2016 that work on the FTT would continue during the second half of 2016. The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

French insolvency law.

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

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes) and regardless of their governing law.

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

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

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

A receiver (*administrateur judiciaire*) is permitted to take into account the existence of voting or subordination agreements entered into by a holder of notes, or the existence of 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 right within the Assembly. The receiver must disclose the method used to compute such voting rights and an interested holder may dispute such computation before the president of the competent commercial court. These provisions could apply to a holder 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 Terms and Conditions of the Notes set out in this Prospectus will not be applicable in these circumstances.

Liquidity risks and market value of the Notes.

There is currently no existing market for the Notes and there can be no assurance that a liquid market will develop. The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes or the reference rate are traded, the financial condition and the creditworthiness of the Issuer and/or the Group, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the outstanding amount of the Notes, any redemption features of the Notes and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and in certain circumstances such investors could suffer loss of their entire investment.

TERMS AND CONDITIONS OF THE NOTES

The issue outside the Republic of France of the €1,000,000,000 Subordinated Resetable Notes due 2048 (the “**Notes**”) of Crédit Agricole Assurances S.A. (the “**Issuer**”) was decided by Frédéric Thomas, Chief Executive Officer (*Directeur Général*) of the Issuer, on 20 September 2016 acting pursuant to the resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 28 April 2016 and a resolution of the general meeting of the shareholders dated 16 June 2016. The Issuer has entered into a fiscal agency agreement (the “**Fiscal Agency Agreement**”) dated 23 September 2016 with CACEIS Corporate Trust as fiscal agent, principal paying agent and calculation agent. The fiscal agent, the principal paying agent and the calculation agent for the time being and the paying agents are referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Calculation Agent**” and the “**Paying Agents**” (which expression shall include the Principal Paying Agent and any future paying agent duly appointed by the Issuer in accordance with the Fiscal Agency Agreement), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Fiscal Agency Agreement, and are collectively referred to as the “**Agents**”. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below. References in these Conditions to any provision of the French *Code de commerce* or the French *Code monétaire et financier* or any other law or decree shall be construed as references to such provision as amended, re-enacted or supplemented by any order made under, or deriving validity from, such provision.

1. Definitions

“**5-year Mid-Swap Rate**” means, in relation to a Reset Date:

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

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

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

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

“**Account Holders**” shall mean any financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”).

“**Accounting Event**” means that an opinion of a recognised accountancy firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that as a result of any change in, or amendment to, the Applicable Accounting Standards the Notes must not, or must no longer be, recorded as “liabilities” in the consolidated financial statements of the

Issuer and this cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

“Additional Amounts” has the meaning ascribed to it in Condition 8.

“Additional Interest Amount” has the meaning ascribed to it in Condition 5.10.

“Alternative Representative” has the meaning ascribed to it in Condition 11.

“Applicable Accounting Standards” means the International Financial Reporting Standards (IFRS), as applicable at the relevant dates and for the relevant periods, or other accounting principles generally accepted in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applied by the Issuer which subsequently supersede them.

“Applicable Supervisory Regulations” means the solvency margin, capital adequacy regulations, capital requirements or any other regulatory capital rules including the Solvency II Directive and any laws or regulations implementing the Solvency II Directive (including the guidelines and recommendations of the European Insurance and Occupational Pensions Authority), as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations including a decision of a court or tribunal from time to time in effect in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and its Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion in “tier two” own funds regulatory capital (or whatever terminology is employed to denote such concept)..

“Arrears of Interest” has the meaning ascribed to it in Condition 5.10.

“Business Day” means any day (other than a Saturday or a Sunday) which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Paris and a TARGET 2 Settlement Day.

“Capital Disqualification Event” has the meaning ascribed to it in Condition 6.4.

“Compulsory Interest Payment Date” means each Interest Payment Date prior to which during a period of twelve (12) months prior to such Interest Payment Date a discretionary dividend in any form on any ordinary or preference shares of the Issuer has been declared or paid, unless such Interest Payment Date constitutes a Mandatory Interest Deferral Date.

“Conditions to Redemption and Purchase” has the meaning ascribed to it in Condition 6.10.

“Conditions to Settlement” means the conditions that are satisfied on any day with respect to any payment of Arrears of Interest and Additional Interest Amounts, if any, if (i) the Issuer has obtained the Prior Approval of the Relevant Supervisory Authority (to the extent such consent is then required by the Applicable Supervisory Regulations, and (ii) such day is not a Mandatory Interest Deferral Date.

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

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

“**First Call Date**” means 27 September 2028.

“**Gross-Up Event**” has the meaning ascribed to it in Condition 6.3.

“**Group**” means the Issuer together with its direct and indirect consolidated subsidiaries.

“**Initial Period**” means the period from (and including) the Issue Date to (but excluding) the First Call Date.

“**Initial Rate of Interest**” means 4.750 per cent *per annum*.

“**Insolvent Insurance Affiliate Winding-up**” means:

- (i) the winding-up of any Insurance Undertaking within the Group; or
- (ii) the appointment of an administrator of any Insurance Undertaking within the Group,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking within the Group may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance of that Insurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings that reflect any right to receive or expectation of receiving benefits which policyholders may have).

“**Insurance Undertaking**” has the meaning ascribed to it in the Solvency II Directive.

“**Interest Payment Date**” means 27 September in each year from (and including) 27 September 2017.

“**Interest Period**” means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next (or first) Interest Payment Date.

“**IRS Code**” has the meaning ascribed to it in Condition 7.1.

“**Issue Date**” means 27 September 2016.

“**Mandatory Deferred Interest**” has the meaning ascribed to it in Condition 5.10.

“**Mandatory Interest Deferral Date**” means each Interest Payment Date (or, in respect of Arrears of Interest and Additional Interest Amounts thereon, the date of payment thereof) in respect of which the Noteholders and the Principal Paying Agent have been notified by the Issuer pursuant to sub-paragraph (iv) of Condition 5.10 below confirming that (i) a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date or (ii) the payment of such interest (and, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) would in itself cause a Regulatory Deficiency. However, the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date if all the following conditions are met:

- a. the Relevant Supervisory Authority has exceptionally waived the deferral of such Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) (to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Applicable Supervisory Regulations);

- b. paying the Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) does not further weaken the solvency position of the Group as determined in accordance with the Applicable Supervisory Regulations; and
- c. the minimum capital requirement (MCR) (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) will be complied with immediately after the Interest Payment (and/or, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) is made.

“Margin” means 5.35 per cent. *per annum*.

“Masse” has the meaning ascribed to it in Condition 11.

“Noteholder” means any person whose name appears in the account of the relevant Account Holder as being entitled to the Notes.

“Optional Deferred Interest” has the meaning ascribed to it in Condition 5.10.

“Optional Interest Payment Date” has the meaning ascribed to it in Condition 5.10.

“Principal Amount” means Euro 100,000, being the principal amount of each Note on the Issue Date (as defined below).

“Prior Approval of the Relevant Supervisory Authority” means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under the then Applicable Supervisory Regulations, and provided that such approval has not been withdrawn by the date set for redemption, substitution, variation or payment, as the case may be.

“Qualifying Equivalent Securities” means securities which have terms not being prejudicial to the interests of the Noteholders as determined by the senior management of the Issuer in consultation with an independent investment bank of international standing, and provided that a certification to such effect shall have been delivered to the Fiscal Agent (including as to the consultation with the independent investment bank and in respect of the matters specified in (i) to (vii) below) for the benefit of the Noteholders prior to the issue or variation of the relevant securities (upon which the Fiscal Agent shall be entitled to rely without liability to any person) and which:

- (i) satisfy the criteria for the eligibility for inclusion of the proceeds of the Notes under the Applicable Supervisory Regulations in tier two (at least, or any stronger tier) own funds regulatory capital;
- (ii) shall bear at least the same interest rate from time to time to that applying to the Notes and preserve the Interest Payment Dates;
- (iii) contain new terms providing for mandatory deferral of payments of interest and/or principal only if such terms are not materially less favourable to an investor than the mandatory deferral provisions;
- (iv) shall rank at least *pari passu* with the Notes;
- (v) shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon such redemption provided that the Substituted Notes or Varied Notes may not be redeemed prior to the First Call Date specified herein (save for redemption, substitution or variation on terms analogous

with the terms of the Notes), provided that the relevant substitution or variation may not itself trigger any early redemption right;

- (vi) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and
- (vii) preserve any rights to any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon), and any existing rights to other amounts payable under the Notes which have accrued to Noteholders and not been paid.

“Rate of Interest” means:

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

all as determined by the Calculation Agent in accordance with Condition 5.

“Rating Agency” means Standard & Poor’s Ratings Services (Standard & Poor’s) or any successor thereto.

“Rating Methodology Event” will be deemed to occur upon a change in the methodology of the Rating Agency (as defined above) (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such Rating Agency at or around the Issue Date.

“Redemption Alignment Event” will be deemed to have occurred if at any time prior to 27 September 2026, the Issuer determines, in consultation with the Relevant Supervisory Authority, that the option to redeem the Notes from 27 September 2021 for taxation reasons where Additional Amounts have to be paid by the Issuer to compensate for any withholding or deduction in France, without such redeemed Notes being required to be replaced by other own funds regulatory capital of at least the same quality, would not cause the Notes to no longer fulfill the requirements in order to be treated under the then Applicable Supervisory Regulations as “tier two” own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of the Group’s regulatory capital and the Issuer gives not less than fifteen (15) nor more than thirty (30) days’ notice of such determination to the Noteholders.

“Redemption Amount” means, in respect of any Note, its principal amount, together with interest accrued up to but excluding the date of redemption, Arrears of Interest and Additional Interest Amounts, if any.

“Regulatory Deficiency” means:

- (i) the own funds regulatory capital (or, if different, whatever the terminology employed to denote such concept by the then Applicable Supervisory Regulations) of the Group is not sufficient to cover its capital requirements (including, for the avoidance of doubt, the applicable solvency capital requirement (SCR) or the applicable minimum capital requirement (MCR)) (or, if different, whatever terminology is employed to denote such requirement by the then Applicable Supervisory Regulations) whichever occurs earlier; or

- (ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer, that in accordance with the then Applicable Supervisory Regulations at such time, the Issuer must take specified action in relation to payments under the Notes,

in each case without taking into account any Prior Approval of the Relevant Supervisory Authority being granted on an exceptional basis with respect to the payment of interest and/or Arrears of Interest (together with the corresponding Additional Interest Amount) on, or the redemption or purchase of, the Notes.

“**Relevant Date**” has the meaning ascribed to it in Condition 8.

“**Relevant Five Year Period**” means each five year period beginning on (and including) a Reset Date and ending on (but excluding) the next succeeding Reset Date.

“**Relevant Supervisory Authority**” means any relevant regulator having jurisdiction over the Group, in the event that the Group is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution* (the “**ACPR**”).

“**Representative**” has the meaning ascribed to it in Condition 11.

“**Reset Date**” means, in respect of the first Relevant Five Year Period, the First Call Date and, in respect of each successive Relevant Five Year Period, any fifth anniversary date of that date.

“**Reset Rate Interest Determination Date**” means, in respect of the first Relevant Five Year Period, the second Business Day prior to the First Call Date and, in respect of each Relevant Five Year Period thereafter, the day falling two (2) Business Days prior to the first day of each Relevant Five Year Period.

“**Reset Rate of Interest**” means the sum of (a) the 5-year Mid-Swap Rate determined on the day falling two (2) Business Days prior to the first day of each Relevant Five Year Period plus (b) the Margin.

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

“**Reset Reference Banks**” means five leading swap dealers in the interbank market as selected by the Calculation Agent.

“**Screen Page**” means the display page on the relevant Reuters information service designated as the “ISDAFIX2” page or such other page as may replace it on that information service, or on such other equivalent information service as may be nominated by the person providing or sponsoring such information, for the purpose of displaying equivalent or comparable rates to the 5-year Mid-Swap Rate.

“**Scheduled Maturity Date**” means 27 September 2048, if the Conditions to Redemption and Purchase are satisfied on such date and otherwise as soon as Conditions to Redemption and Purchase are satisfied.

“**Solvency II Directive**” means Directive 2009/138/EC of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) which has been transposed under French law by the ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction of the European Economic Area other than France, which has been or must be transposed under the law of its jurisdiction by the relevant member state of the European Economic Area pursuant to Article 309 of Directive 2009/138/EC (as amended or, as the case may be, supplemented)).

“**Special Event**” has the meaning ascribed to it in Condition 6.7.

“**Substituted Notes**” has the meaning ascribed to it in Condition 6.7.

“**TARGET 2 Settlement Day**” means any day on which the TARGET 2 System is operating.

“**TARGET 2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor thereto.

“**Tax Alignment Event**” has the meaning ascribed to it in Condition 8.

“**Tax Deductibility Event**” has the meaning ascribed to it in Condition 6.3.

“**Varied Notes**” has the meaning ascribed to it in Condition 6.7.

2. **Form, Denomination and Title**

The Notes are issued on the Issue Date in dematerialised bearer form (*au porteur*) in the denomination of Euro 100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France (“**Euroclear France**”), which shall credit the accounts of the Account Holders.

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

3. **Status of the Notes**

The subordination provisions of the Notes are governed by Article L.228-97 of the French *Code de commerce*.

The Obligations of the Issuer under the Notes in respect of principal, interest and other amounts are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank:

- i. subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer;

- ii. *pari passu* without any preference among themselves and with all other subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those that rank or are expressed by their terms to rank junior to the Notes; and
- iii. in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any deeply subordinated notes issued by the Issuer, and any class of share capital, whether represented by ordinary shares or preference shares (*actions de préférence*) issued by the Issuer.

4. Negative Pledge

There will be no negative pledge in respect of the Notes.

5. Interest

5.1 Interest rate: Each Note bears interest at the applicable Rate of Interest from (and including) the Issue Date and interest shall be payable annually in arrear on each Interest Payment Date as provided in Condition 7 (Payments).

5.2 Interest to (but excluding) the First Call Date: The applicable Rate of Interest for each Interest Period falling in the Initial Period will be equal to the Initial Rate of Interest.

5.3 Interest from (and including) the First Call Date: Thereafter in respect of each successive five-year period (each a Relevant Five Year Period) from (and including) the First Call Date, the applicable Rate of Interest will be equal to the relevant Reset Rate of Interest, as determined by the Calculation Agent.

5.4 Determination of Reset Rate of Interest: The Calculation Agent will, as soon as practicable after 11:00 a.m. (Central European Time) on each Reset Rate Interest Determination Date, calculate the Reset Rate of Interest.

5.5 Publication of Reset Rate of Interest: The Calculation Agent will cause the relevant Reset Rate of Interest determined by it to be notified to the Principal Paying Agent (if not the Calculation Agent) as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 12 (Notices).

5.6 Calculation of amount of interest per Principal Amount: The amount of interest payable in respect of the Principal Amount for any period shall be calculated by:

- (a) applying the applicable Rate of Interest to the Principal Amount;
- (b) multiplying the product thereof by the Day Count Fraction; and
- (c) rounding the resulting figure to the nearest Euro cent (half a Euro cent being rounded upwards).

5.7 Interest Accrual

The Notes will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Notes is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event, the Notes will continue to bear interest at the relevant interest rate as specified in this Condition 5 on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholders.

5.8 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5, by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Fiscal Agent and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

5.9 Calculation Agent

The Fiscal Agency Agreement provides that the Issuer may at any time terminate the appointment of the Calculation Agent and appoint a substitute Calculation Agent provided that so long as any of the Notes remain outstanding, there shall at all times be a Calculation Agent for the purposes of the Notes having a specified office in a major European city. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Calculation Agent or failing duly to determine the Reset Rate of Interest, the Issuer shall appoint the European office of another leading bank engaged in the Euro-zone or London interbank market to act in its place. The Calculation Agent may not resign its duties or be removed without a successor having been appointed. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

The Calculation Agent shall cause the Reset Rate of Interest, the Margin and the interest amount for each Interest Period following the First Call Date and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent (if different from the Calculation Agent) and each other Paying Agent (if any), to any stock exchange on which the Notes are at the relevant time listed and to the Noteholders as soon as possible after their determination.

Notice of any change of Calculation Agent or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 12 and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

5.10 Interest Deferral

On each Interest Payment Date, the Issuer shall pay interest on the Notes accrued to that date ending immediately prior to such Interest Payment Date, subject to the provisions of the following paragraphs. The interest to be paid will be calculated on the basis of the Principal Amount of the Notes outstanding.

(i) *Optional Interest Payment Dates*

On any Interest Payment Date other than a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date (an “**Optional Interest Payment Date**”), the Issuer may, at its option, elect by notice to (x) the Noteholders in accordance with Condition 12 and (y) the Fiscal Agent pursuant to sub-paragraph (iv) below, to defer payment of all (but not some only) of the interest accrued to that date, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose, unless the Interest Payment Date constitutes a Compulsory Interest Payment Date in which case interest on the Notes will be payable and will not be deferred.

Any interest not paid on an Optional Interest Payment Date and deferred in accordance with such paragraph shall so long as the same remains outstanding constitute arrears of interest (“**Optional Deferred Interest**”) and shall become due and payable as set out below.

(ii) *Mandatory Interest Deferral Dates*

On any Mandatory Interest Deferral Date, the Issuer will be obliged, by notice to (x) the Noteholders in accordance with Condition 12 and (y) the Fiscal Agent pursuant to sub-paragraph (iv) below, to defer payment of all (but not some only) of the interest accrued (and, if relevant, any Arrears of Interest and Additional Interest Amounts thereon) in respect of the Notes to that date, and any such failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest in respect of the Notes which has not been paid on a Mandatory Interest Deferral Date will be deferred and shall constitute “**Mandatory Deferred Interest**” and shall constitute, together with Optional Deferred Interest, “**Arrears of Interest**” and shall be payable as set out below.

In the case of Notes substituted in accordance with Condition 6.7, Arrears of Interest (together with any Additional Interest Amount, as defined below) accrued on the Notes originally issued will be transferred to, and assumed by the Issuer under, such substituted Notes.

(iii) *Arrears of Interest*

Arrears of Interest (together with the corresponding Additional Interest Amount) may, subject to the fulfilment of the Conditions to Settlement, at the option of the Issuer, be paid in whole or in part at any time but all Arrears of Interest (together with the corresponding Additional Interest Amount) in respect of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

- (A) the next Interest Payment Date which is a Compulsory Interest Payment Date; or
- (B) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or
- (C) the date upon which a judgment is made by a competent court for the judicial liquidation of the Issuer (*liquidation judiciaire*) or for the sale of the whole of the business (*cession totale de l'entreprise*) following an order of judicial reorganisation (*redressement judiciaire*) in respect of the Issuer or in the event of the liquidation of the Issuer for any other reason.

Each amount of Arrears of Interest shall bear interest, in accordance with Article 1154 of the French Civil Code, as if it constituted the nominal amount of the Notes at a rate which corresponds to the Rate of Interest from time to time applicable to the Notes and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this provision and shall be calculated by the Calculation Agent applying the Rate of Interest to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the foregoing provisions hereof. The Additional Interest Amount accrued up to any Interest Payment Date shall be added, to the extent permitted by applicable law and for the purpose only of calculating the Additional Interest Amount accruing thereafter, to the

amount of Arrears of Interest remaining unpaid on such Interest Payment Date as if such amount constituted Arrears of Interest.

(iv) *Notice of Deferral and Payment of Arrears of Interest*

The Issuer shall give not less than five (5) nor more than thirty (30) Business Days' prior notice to the Noteholders in accordance with Condition 12 and to the Fiscal Agent:

- (A) of any Optional Interest Payment Date on which the Issuer elects to defer interest as provided in sub-paragraph (i) above;
- (B) of any Mandatory Interest Deferral Date (other than a Compulsory Interest Payment Date) specifying that interest will not be paid due to a Regulatory Deficiency continuing on the next Interest Payment Date, provided that if the Regulatory Deficiency occurs less than five (5) Business Days before such Interest Payment Date, the Issuer shall give notice of the interest deferral as soon as practicable under the circumstances before such Mandatory Interest Deferral Date; and
- (C) of any date upon which amounts in respect of Arrears of Interest and/or Additional Interest Amounts shall become due and payable.

So long as the Notes are admitted to trading on the regulated market of Euronext Paris or admitted to trading on any other stock exchange, and the rules of such stock exchange so require, notice of any such deferral shall also be given as soon as reasonably practicable to such stock exchange.

(v) *Partial Payment of Arrears of Interest and Additional Interest Amounts*

If amounts in respect of Arrears of Interest and Additional Interest Amounts are paid in part:

- (A) all unpaid amounts of Arrears of Interest shall be payable before any Additional Interest Amounts;
- (B) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period and the order of payment of Additional Interest Amounts shall follow that of the Arrears of Interest to which they relate; and
- (C) the amount of Arrears of Interest or Additional Interest Amounts payable in respect of any Note in respect of any period, shall be *pro rata* to the total amount of all unpaid Arrears of Interest or, as the case may be, Additional Interest Amounts accrued in respect of that period to the date of payment.

6. Redemption and Purchase

The Notes may not be redeemed otherwise than in accordance with this Condition.

6.1 Redemption at Maturity

Subject to the Conditions to Redemption and Purchase, unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Principal Amount, together with accrued interest thereon, if any, and any Arrears of Interest (including any Additional Interest Amounts thereon), on the Scheduled Maturity Date.

6.2 Optional Redemption from the First Call Date

The Issuer may, subject to the fulfilment of the Conditions to Redemption and Purchase, subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem the Notes then outstanding in whole, but not in part, at their Redemption Amount on the First Call Date or on any Interest Payment Date falling thereafter.

6.3 Redemption for Taxation Reasons

- (1) If, at any time, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective on or after the Issue Date, the Issuer would, on the occasion of the next payment in respect of the Notes, not be able to make such payment without having to pay Additional Amounts as specified in Condition 8 (a "**Gross-Up Event**"), the Issuer may, at any time, subject to the fulfilment of the Conditions to Redemption and Purchase, subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Redemption Amount to the date fixed for redemption, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding for French taxes.
- (2) If, an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a "**Tax Deductibility Event**"), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, at any time, subject to the fulfilment of the Conditions to Redemption and Purchase, subject to having given not more than forty-five (45) nor less than thirty (30) days prior notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Redemption Amount to the date fixed for redemption, on the latest practicable date on which the Issuer could make such payment with the part of the interest payable under the Notes being tax-deductible not being reduced or, if such date is past, as soon as practicable thereafter.

6.4 Optional Redemption for Regulatory Reasons

If at any time, the Issuer determines that a Capital Disqualification Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the fulfilment of the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 12, at their Redemption Amount.

For the purpose of this Condition 6.4 and Condition 6.7 below, “**Capital Disqualification Event**” will be deemed to occur if on or after the Issue Date, the Relevant Supervisory Authority has notified the Issuer :

- a. that under the then Applicable Supervisory Regulations the Notes (in whole or in part) would not be treated as "tier two" own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of its regulatory capital; or
- b. that under the then Applicable Supervisory Regulations, the Notes (in whole or in part) no longer fulfil the requirements to be treated as at least "tier two" own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of its regulatory capital, provided that on the Issue Date, the Notes did fulfil the requirements for inclusion in the determination of at least the "tier two" own funds regulatory capital of the Group,

except where in each case of (a) and (b), this is merely the result of exceeding any applicable limits on the inclusion of such securities in the "tier two" own funds regulatory capital of the Group pursuant to the then Applicable Supervisory Regulations.

6.5 Optional Redemption for Rating Reasons

If at any time the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the fulfilment of the Conditions to Redemption and Purchase, redeem the Notes subject to having given not more than forty-five (45) nor less than thirty (30) days’ prior notice to the Noteholders in accordance with Condition 12, in whole, but not in part, at the option of the Issuer, at their Redemption Amount.

6.6 Optional Redemption for Accounting Reasons

If at any time the Issuer determines that an Accounting Event has occurred with respect to the Notes on or after the Issue Date, such Notes will be redeemable at any time in whole, but not in part, at the option of the Issuer having given not more than forty-five (45) nor less than thirty (30) days’ prior notice to the Noteholders in accordance with Condition 12, at their Redemption Amount, subject to the fulfilment of the Conditions to Redemption and Purchase.

6.7 Variation or Substitution for Special Events

If at any time the Issuer determines that an Accounting Event, a Capital Disqualification Event, a Gross-Up Event, a Tax Deductibility Event or a Rating Methodology Event (each a “**Special Event**”) has occurred on or after the Issue Date, the Issuer may, as an alternative to an early redemption of the Notes, at any time, without the consent of the Noteholders, (i) substitute the Notes for new notes replacing the Notes (the “**Substituted Notes**”), or (ii) vary the terms and conditions of the Notes (the “**Varied Notes**”).

Any such substitution or variation is subject to the following conditions:

- (i) the Substituted Notes or Varied Notes being Qualifying Equivalent Securities;
- (ii) the Issuer giving not less than thirty (30) nor more than forty-five (45) days’ notice to the Noteholders in accordance with Condition 12;

- (iii) the Prior Approval of the Relevant Supervisory Authority being obtained;
- (iv) the Issuer complying with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed or admitted to trading, and (for so long as the rules of such exchange require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith, and the Substituted or Varied Notes continuing to be listed or admitted on the same stock exchange as the Notes if they were listed immediately prior to the relevant substitution and/or variation; and
- (v) the issue of legal opinions addressed to the Fiscal Agent for the benefit of the Noteholders from one or more international law firms of good reputation confirming (x) that the Issuer has capacity to assume all rights and obligations under the Substituted Notes or Varied Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Substituted Notes or Varied Notes.

Any such substitution or variation shall be binding on the Noteholders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

6.8 Purchases

The Issuer may at any time, subject to the Conditions to Redemption and Purchase, purchase Notes in the open market or otherwise at any price for cancellation or holding in accordance with applicable laws and regulations. Notes so purchased by the Issuer may be held and resold in accordance with Articles L.213-1-A and D.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes or be cancelled in accordance with Article L.228-74 of the French *Code de commerce*.

6.9 Cancellation

All Notes which are redeemed or purchased for cancellation by the Issuer pursuant to this Condition 6 will forthwith be cancelled (together with rights to interest any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France.

Any Notes so cancelled may not be resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6.10 Conditions to Redemption and Purchase

Any redemption or purchase of the Notes is subject to the conditions that (i) the Issuer has obtained the Prior Approval of the Relevant Supervisory Authority; (ii) no Regulatory Deficiency has occurred and is continuing on the due date for redemption or purchase and such redemption or purchase would not itself cause a Regulatory Deficiency and (iii) if and to the extent required under the then Applicable Supervisory Regulations in order for the Notes to be treated as “tier two” own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Group for the purposes of the determination of the Group’s regulatory capital, no Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been made to the Noteholders, such redemption notice would become automatically void and notice thereof shall be made promptly by the Issuer in accordance with Condition 12.

Notwithstanding that a Regulatory Deficiency may have occurred and is continuing on the date due for redemption or purchase, or if such redemption or purchase would itself cause a Regulatory Deficiency, the Notes may still be redeemed or purchased on such date to the extent permitted under, and in accordance with, the Solvency II Directive and/or the Applicable Supervisory Regulations and provided that all of the following conditions are met:

- (a) on or prior to such date, the Prior Approval of the Relevant Supervisory Authority has been exceptionally given with respect to the relevant redemption or purchase of the Notes;
- (b) the relevant redeemed or purchased Notes are replaced by other own funds regulatory capital of at least the same quality; and
- (c) the applicable minimum capital requirement (MCR) (or, if different, whatever terminology is employed for such requirement by the then Applicable Supervisory Regulations) is complied with after the relevant redemption or purchase of the Notes has been made.

Notwithstanding that an Insolvent Insurance Affiliate Winding-up may have occurred and be continuing on the date due for redemption or purchase, the Notes may still be redeemed or purchased on such date to the extent permitted under, and in accordance with, the Solvency II Directive and the Applicable Supervisory Regulations and provided that, on or prior to such date, the Prior Approval of the Relevant Supervisory Authority has been exceptionally given with respect to the relevant redemption or purchase of the Notes.

The Notes may not be redeemed or purchased pursuant to Condition 6.3(2) and Conditions 6.4 to 6.8 respectively prior to 27 September 2021, unless the relevant redeemed or purchased Notes are replaced by other own funds regulatory capital of at least the same quality.

Except in circumstances where a Redemption Alignment Event has occurred, the Notes may not be redeemed pursuant to Condition 6.3(1) prior to 27 September 2026, unless the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality. If a Redemption Alignment Event has occurred, the Notes may not be redeemed pursuant to Condition 6.3(1) prior to 27 September 2021, unless the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality.

7. Payments

7.1 Method of Payment

Payments of principal, interest (including, for the avoidance of doubt, any Additional Interest Amounts) and other amounts in respect of the Notes will be made in Euros, by credit or transfer to a Euro-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a country within the TARGET2 System or, at the option of the payee, by a Euro cheque. Such payments shall be made for the benefit of the Noteholders to the Account Holders and all payments made to such Account Holders in favour of Noteholders will be an effective discharge of the Issuer and the Fiscal Agent, as the case may be, in respect of such payment.

None of the Issuer, the Fiscal Agent, the Calculation Agent or the Paying Agents shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euros, or any currency conversion or rounding effect in connection with such payment being made in Euros.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to (i) any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the relevant Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**IRS Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the IRS Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

7.2 Payments on Business Days

If any due date for payment of principal, interest (including Arrears of Interest) or other amounts in respect of any Note is not a Business Day, then the holder of such Note shall not be entitled to payment of the amount due until the next following Business Day and will not be entitled to any interest or other sums with respect to such postponed payment.

7.3 Fiscal Agent, Paying Agents and Calculation Agent

The names of the initial Agents and their specified offices are set out below:

CACEIS Corporate Trust
14, rue Rouget de Lisle
92862 Issy les Moulineaux Cedex 9
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or a Paying Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent and a Principal Paying Agent having a specified office in a European city. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 12 and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty-five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 12.

8. Taxation

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

In that event, the Issuer, will, to the fullest extent then permitted by law and provided a Tax Alignment Event has occurred and is continuing, pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction

been required, except that no such Additional Amounts shall be payable with respect to any Note:

- (i) presented for payment by or on behalf of, a holder who would not be liable or subject to such withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (ii) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Republic of France other than the mere holding of the Note, or the receipt of interest in respect of such Note; or
- (iii) presented for payment more than thirty (30) days after the Relevant Date (as defined below) except to the extent that the Noteholder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of thirty (30) days.

A “**Tax Alignment Event**” will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay Additional Amounts would not cause the Notes to no longer be treated under Applicable Supervisory Regulations as at least “tier two” own funds regulatory capital (or whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days’ notice of such fact to the Fiscal Agent and the Noteholders.

As used in these Conditions, “**Relevant Date**” in respect of any Note means the date on which payment in respect of it first becomes due and payable or (if any amount of the money payable is improperly withheld or refused) the date on which the full amount of monies payable on such date in respect of such Note is paid to the Paying Agent.

Each holder of Notes shall be responsible for supplying to the Paying Agent, in a reasonable and timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the Council Directive 2003/48/EC (as amended) or any other European Directive amending, supplementing or replacing such Directive, or implementing the conclusions of the ECOFIN Council Meeting of November 26-27, 2000 or any subsequent meeting of the Council of the European Union on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive or Directives.

Any reference in these Conditions to principal and/or interest shall be deemed to include any Additional Amounts in respect of principal and/or interest which may be payable under this Condition 8.

Notwithstanding anything in this Condition 8 to the contrary, neither the Issuer, any paying agent nor any other person making payments on behalf of the Issuer shall be required to pay additional amounts in respect of such taxes imposed pursuant to Section 1471(b) of the IRS Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the IRS Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

9. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

10. Enforcement Events

There will be no events of default in respect of the Notes. However, each Note shall become immediately due and payable at its Principal Amount, together with accrued interest thereon, if any, to the date of payment, and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason.

11. Representation of the Noteholders

The Noteholders will be grouped automatically for the defense of their respective common interests in a *masse* (hereinafter referred to as the "**Masse**").

In accordance with Article L.228-90 of the French *Code de commerce*, the *Masse* will be governed by the provisions of the French *Code de commerce* applicable to the *Masse* (with the exception of the provisions of Articles L.228-48, L.228-59 and L.228-65 II and Articles R.228-63, R.228-67 and R.228-69), subject to the following provisions:

(a) **Legal Personality**

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, acting in part through a representative (the "**Representative**") and in part through a general assembly of Noteholders.

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

(b) **Representative**

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

- (i) the Issuer, the members of its *Conseil d'Administration* (Board of Directors), its *Directeurs Généraux* (general managers), its statutory auditors, its employees and their ascendants, descendants and spouses;
- (ii) companies possessing at least 10 per cent. of the share capital of the Issuer or of which the Issuer possesses at least 10 per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers, members of their board of directors, management board or supervisory board, their statutory auditors, and their ascendants, descendants and spouses;
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

CACEIS Corporate Trust (439 430 976 RCS Paris)
Address: 14, rue Rouget de Lisle – 92130 Issy les Moulineaux
Represented by Jean-Michel Desmarest, *Directeur Général* of CACEIS Corporate Trust

The alternative representative (the “**Alternative Representative**”) shall be:

CACEIS Bank France (692 024 722 RCS Paris)
Address: 1-3, place Valhubert – 75013 Paris
Represented by Carine Echelard, *Directeur Général* of CACEIS Bank France

In the event of death, incompatibility, resignation or revocation of the Representative, such Representative will be replaced by the Alternative Representative. The Alternative Representative shall have the same powers as the Representative.

In the event of death, incompatibility, resignation or revocation of the Alternative Representative, a replacement will be elected by a meeting of the general assembly of the Noteholders.

The Representative will be entitled to a remuneration of €600 per year, paid by the Issuer.

All interested parties will at all times have the right to obtain the names and the addresses of the Representative and the Alternative Representative at the head office of the Issuer and at the offices of any of the Paying Agents.

(c) ***Powers of the Representative***

The Representative shall, in the absence of any decision to the contrary of the general assembly of the Noteholders, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, in order to be valid, must be brought against the Representative or by it.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) ***General Assemblies of Noteholders***

General assemblies of Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the Principal Amount of the Notes may address to the Issuer and the Representative a demand for convocation of the general assembly; if such general assembly has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a general assembly will be published as provided under Condition 12 not less than fifteen (15) calendar days prior to the date of the general assembly.

Each Noteholder has the right to participate in meetings of the *Masse* in person, by proxy, by correspondence or if the *statuts* of the Issuer so specify, by visioconference or by any other means of telecommunication allowing the participation of the Noteholders. Each Note carries the right to one vote.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in general assemblies will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of

0:00, Paris time, on the second business day in Paris preceding the date set for the meeting of the relevant general assembly.

(e) ***Powers of General Assemblies***

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

A general assembly may further deliberate on any proposal relating to the modification of the Conditions of the Notes, including:

- (i) any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and
- (ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of the Noteholders;

it being specified, however, that a general assembly may not increase the liabilities (*charges*) of the Noteholders nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares. Any amendment to the Conditions is subject to the Prior Approval of the Relevant Supervisory Authority.

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

Decisions of the general assembly must be published in accordance with the provisions set out in Condition 12 not more than ninety (90) calendar days from the date thereof.

(f) ***Information to the Noteholders***

Each Noteholder or representative thereof will have the right, during the fifteen (15) calendar days period preceding the holding of each meeting of a general assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

(g) ***Expenses***

The Issuer will pay all duly evidenced and reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of general assemblies and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by a general assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

For the avoidance of doubt, in this Condition 11 "outstanding" shall not include those Notes purchased by the Issuer pursuant to Article L.213-1-A of the French *Code monétaire et financier* that are held by it and not cancelled.

12. Notices

- (a) Notices required to be given to the Noteholders may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared; except that so long as the Notes are admitted to trading on Euronext Paris and the rules of such regulated market so require, notices shall also be published in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos* or such other newspaper as the Fiscal Agent shall deem necessary to give fair and reasonable notice to the Noteholders).
- (b) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication.

13. Further Issues

The Issuer may, from time to time without the consent of the Noteholders, issue further Notes to be assimilated (*assimilables*) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated notes will, for the defence of their common interests, be grouped in a single *Masse* having legal personality.

14. Governing Law and Jurisdiction

The Notes are governed by the laws of France.

Any claim against the Issuer in connection with any Notes may be brought before the courts of the competent jurisdiction in Paris.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for general corporate purposes and the reinforcement of solvency ratios.

CAPITALIZATION AND INDEBTEDNESS

The table below sets forth the consolidated capitalization of the Issuer as of 30 June 2016. Except as set forth in this section, there has been no material change in the capitalization of the Issuer since 30 June 2016.

<i>in millions of euros</i>	As of 30 June 2016
Subordinated debts	3,908
Debt to credit institutions	2,217
Total Financing debt	<u>6,125</u>
Share capital and equivalent	1,490
Issue, merger and transfer premium	7,374
Gains and losses recognised directly in equity	2,992
Retained earnings and other reserves	2,580
Consolidated net income	<u>650</u>
Group shareholders' equity	<u>15,086</u>
Non-controlling interests	<u>31</u>
Total Capitalization	<u><u>21,242</u></u>

TAXATION

French Taxation Considerations Relating to the Notes

Implementation of Council Directive 2003/48/EC on the taxation of savings income (the “Savings Directive”)

The Savings Directive was implemented into French law under Article 242 *ter* of the French *Code général des impôts*, which imposes on paying agents an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Withholding taxes

The descriptions below are intended as a brief summary of certain French withholding tax consequences that may be relevant to holders of Notes who do not concurrently hold shares of the Issuer. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Pursuant to Article 125 A III of the French *Code général des impôts*, payments of interest and other revenues made by the Issuer on the Notes are not subject to withholding tax unless such payments are made outside of France in a non-cooperative State or territory within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”), in which case a 75% withholding tax is applicable subject to exceptions and to more favorable provisions of an applicable double tax treaty. The 75% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues 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 to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the same Code, at a rate of 30% or 75%, subject to more favorable provisions of an applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French *Code général des impôts*, the non-deductibility of the interest set out under Article 238 A of the French *Code général des impôts* nor the withholding tax set out under Article 119 *bis* 2 that may be levied as a result of such non-deductibility, to the extent the relevant interest or revenues relate to genuine transactions and is not in an abnormal or exaggerated amount, will apply in respect of an issue of Notes provided that the Issuer can prove that the main purpose and effect of such issue of Notes is not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”).

In addition, under French tax administrative guidelines (BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211, and BOI-IR-DOMIC-10-20-20-60-20150320), an issue of Notes benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of Notes, if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L. 411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority;
- (ii) 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

- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depositories or operators are not located in a Non-Cooperative State.

Since the Notes will be cleared through a qualifying clearing system at the time of their issue, they will fall under the Exception. Consequently, payments of interest and other revenues made by the Issuer under the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts*. In addition, under the same conditions and to the extent that the relevant interest and other revenue relate to genuine transactions and are not in an abnormal or exaggerated amount, they will be subject neither to the non-deductibility set out under Article 238 A of the French *Code général des impôts* nor to the withholding tax set out under Article 119 *bis* 2 of the same Code solely on account of their being paid to a bank account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Pursuant to Article 125 A of the French *Code général des impôts* (i.e., where the paying agent (établissement payeur) is located in France), subject to certain exceptions, interest and similar revenues received by French tax resident individuals are subject to a 24% levy withheld at source, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied at source at an aggregate rate of 15.5% on such interest or other similar revenues paid to French tax resident individuals. Holders of Notes who are French tax resident individuals are urged to consult with their usual tax advisor on the way the 24% levy and the 15.5% social security contributions are collected, where the paying agent is not located in France.

Possible FATCA Consequences Relating to the Notes

As a result of Sections 1471 through 1474 of the IRS Code and the Treasury regulations (and any notices, guidance or official pronouncements) promulgated thereunder, any agreement entered into thereto, any law implementing an intergovernmental agreement or approach thereto, and any other similar law or regulation and related intergovernmental agreements (“**FATCA**”), holders of Notes may be required to provide information and tax documentation regarding their identities as well as that of their direct and indirect owners. It is also possible that from no earlier than 1 January 2018, payments on the Notes may be subject to a withholding tax of 30% to the extent such payments are considered to be “foreign passthru payments”. Under current guidance, the term “foreign passthru payment” is not defined. It is unclear to what extent (if any) payments on securities such as the Notes would be considered “foreign passthru payments” or to what extent (if any) passthru payment withholding may be required under intergovernmental agreements. The Issuer will not pay additional amounts on account of any withholding tax imposed by FATCA.

FATCA is particularly complex and its application to the Issuer, the Notes, and the holders of the Notes is uncertain at this time. Investors are encouraged to consult with their own tax advisors regarding the possible implications of FATCA for this investment.

SUBSCRIPTION AND SALE

1. Subscription agreement

Pursuant to a subscription agreement dated 23 September 2016 (the “**Subscription Agreement**”) entered into between the Issuer, Crédit Agricole Corporate and Investment Bank, Banco Santander, S.A., Bank of Montreal, London Branch, HSBC Bank plc and J.P. Morgan Securities plc (together the “**Managers**”), the Managers have jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscription or, failing which, to subscribe for the Notes at an issue price equal to 99.133 per cent. of their principal amount less the commissions agreed between the Issuer and the Managers. The Subscription Agreement entitles, in certain circumstances, the Managers to terminate it prior to payment being made to the Issuer. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

2. Selling Restrictions

The following selling restrictions will apply to the Notes:

2.1 United States

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

Accordingly, the offer is not being made in the United States and this document does not constitute an offer, or an invitation to apply for, or an offer or invitation to purchase or subscribe for any Notes in the United States. The Notes offered hereby are being offered only outside the United States in “offshore transactions” as defined in Regulation S. Any person who subscribes or acquires Notes will be deemed to have represented, warranted and agreed, by accepting delivery of this Prospectus or delivery of Notes, that it has not received this document or any information related to the Notes in the United States, is not located in the United States and is subscribing for or acquiring Notes in compliance with Rule 903 of Regulation S in an “offshore transaction” as defined in Regulation S.

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

2.2 European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Member State**”), each of the Managers has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus (the “**Offer Notes**”) to the public in that Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Offer Notes to the public in that Member State under the following exemptions under the Prospectus Directive:

- (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), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the initial purchasers 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 Offer Notes referred to above shall require the Issuer or any of the Managers 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 Offer 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 Offer Notes to be offered so as to enable an investor to decide to purchase or subscribe the Offer 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.

This selling restriction is in addition to any other selling restrictions set out in this Prospectus.

2.3 United Kingdom

Each of the Managers has represented, warranted and agreed that (in connection with the initial distribution of the Notes only):

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Notes which are the subject of the offering contemplated by this Prospectus (the “**Offer Notes**”) in circumstances in which Section 21(1) of the FSMA would not, if the Issuer were not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Notes in, from or otherwise involving the United Kingdom.

2.4 France

Each of the Managers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed, directly or indirectly, and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

2.5 General

No action has been, or will be taken, in any country or jurisdiction that would permit an offer to the public of any of the Notes. Neither the Issuer nor the Managers represents that Notes may at any time lawfully be resold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such resale.

Each of the Managers has agreed that it will, to the best of its knowledge, comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus or any other offering material relating to the Notes and obtain any consent, approval or permission required for the purchase, offer or sale of the Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and none of the Issuer or any other Managers shall have responsibility therefore.

3. Legality of Purchase

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

GENERAL INFORMATION

1. The Notes have been accepted for clearance through Clearstream, Luxembourg (42, avenue JF Kennedy, 1855 Luxembourg, Luxembourg), Euroclear (1, boulevard du Roi Albert II, 1210 Brussels, Belgium) and Euroclear France (66, rue de la Victoire, 75009 Paris, France) with the common code 149603948. The International Securities Identification Number (“ISIN”) code for the Notes is FR0013203734.
2. The issue of the Notes was decided by Frédéric Thomas, Chief Executive Officer (*Directeur général*) of the Issuer, on 20 September 2016 acting pursuant to a resolution of the Board of Directors of the Issuer dated 28 April 2016.
3. Application will be made for the Notes to be listed and admitted to trading on Euronext Paris on 27 September 2016.
4. For the sole purpose of the listing and admission to trading of the Notes on Euronext Paris, and pursuant to Articles L.412-1 and L.621-8 of the French *Code monétaire et financier*, this Prospectus has been submitted to the AMF and received visa no. 16-446 dated 23 September 2016.
5. The total expenses payable to Euronext Paris related to the listing and admission to trading of the Notes are estimated to be €17,500.
6. The statutory auditors of the Issuer for the period covered by the historical financial information are Ernst & Young et Autres (1/2, place des Saisons – 92400 Courbevoie – France) and PricewaterhouseCoopers Audit (63, rue de Villiers – 92200 Neuilly-sur-Seine Cedex – France). They have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for each of the financial years ended 31 December 2014 and 31 December 2015. Free English Translations of the audit reports are set forth on pages 213 to 214 and 212 to 213 of the 2014 Registration Document and 2015 Registration Document, respectively, which are incorporated by reference herein. Ernst & Young et Autres and Pricewaterhouse Coopers Audit, belong to the Compagnie Régionale des Commissaires aux Comptes de Versailles.
7. The yield of the Notes is 4.847 per cent. *per annum* up to the First Call Date, as calculated at the Issue Date on the basis of the issue price of the Notes. It is not an indication of future yield.
8. Save for any fees payable to the Managers, as far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the issue of the Notes. In addition, certain of the Managers or their affiliates may have engaged or may in the future engage in lending, advisory, investment banking and corporate finance services to the Issuer, its parent and group companies and to companies involved directly or indirectly in the sectors in which the Issuer operates.
9. Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer or the Group since 30 June 2016.
10. Except as disclosed in this Prospectus, there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2015.
11. As of 31 August 2016, the Issuer’s (parent company only) “subordinated debt securities” for which the maturity date is more than one year did not increase by more than €1 billion compared with the amount shown in audited financial statements as of 31 December 2015 and for the year then ended of the Issuer (parent company only).
12. For so long as any of the Notes are outstanding, copies of this Prospectus, the Agency Agreement, and the *statuts* (by-laws) of the Issuer will be available for inspection and copies of the most recent annual and half year financial statements of the Issuer will be obtainable, free of charge, at the specified offices for the time being of the Paying Agent during normal business hours. This

Prospectus and all of the Documents Incorporated by Reference are also available (i) on the website of the AMF (www.amf-france.org) and (ii) on the Issuer's website (www.ca-assurances.com).

ISSUER

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