



CAISSE CENTRALE DU CREDIT IMMOBILIER DE FRANCE — 3CIF

(Incorporated in France as a société anonyme)

Euro 12,000,000,000 Debt Issuance Programme unconditionally and irrevocably guaranteed by THE REPUBLIC OF FRANCE

Under the Debt Issuance Programme (the “**Programme**”) described in this information memorandum (the “**Information Memorandum**”), Caisse Centrale du Crédit Immobilier de France - 3CIF (“**3CIF**” or the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue debt securities (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 12,000,000,000 (or the equivalent in other currencies). The Programme will be valid for a period of one year from the date of this Information Memorandum. This Information Memorandum supersedes and replaces the Information Memorandum dated 14 June 2016 and all supplements thereto.

The Notes will be unconditionally and irrevocably guaranteed on a first demand basis by The Republic of France (the “**Guarantor**”) pursuant to a first demand guarantee (*garantie autonome à première demande*) in the form contained herein (see “The State Guarantee” below) as amended or replaced from time to time (the “**State Guarantee**”). As at the date of this Information Memorandum, the State Guarantee is in the form contained herein. The application of the State Guarantee to any Notes is subject to various criteria and conditions set out in the State Guarantee and further described herein. Only Notes benefitting from the State Guarantee may be issued under this Programme. Furthermore, the amount payable under the State Guarantee (in respect of principal, interest and accessory costs) is capped at Euro 16,000,000,000 for all debt securities (including the Notes) issued by the Issuer and benefitting from the State Guarantee and the Temporary Guarantee (as defined herein).

Subject to compliance with all relevant laws, regulations and directives, the Notes may have minimum and/or maximum maturities as set out in the relevant Pricing Supplement (as defined below) and will be subject to any limitations on maturity as shall be provided by the State Guarantee from time to time which requires that Notes must have a minimum maturity of three (3) months and a maximum maturity of five (5) years. In addition, Notes benefitting from the State Guarantee must be issued no later than 30 September 2035 and their maturity date must not extend beyond 31 December 2035.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market (as defined below) operated by the Luxembourg Stock Exchange. References in this document to Notes being “**listed**” (and all related references) shall mean that such Notes have been listed on the official list of the Luxembourg Stock Exchange or, as the case may be, a MIFID Regulated Market (as defined below). The Luxembourg Stock Exchange’s Regulated Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended, appearing on the list of regulated markets published by the European Securities and Market Authority (each such regulated market being a “**MIFID Regulated Market**”). This Information Memorandum may be used to list Notes on the regulated market “Bourse de Luxembourg” (the “**Regulated Market**”) of the Luxembourg Stock Exchange. This Information Memorandum constitutes a “Base Prospectus” and any Pricing Supplement hereto will constitute “Final Terms” each for the purposes of the Luxembourg law of 10 July 2005 on the Prospectus for securities, as amended (the “**Luxembourg Prospectus Act**”). Notes may be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s). The Issuer may also issue unlisted Notes.

This Information Memorandum does not constitute a prospectus for the purposes of Directive 2003/71/EC, as amended, and may be used only for the purpose for which it is published.

Each Series or Tranche of Notes will initially be represented on issue by a temporary global note in bearer form (each a “**temporary Global Note**”), without coupons. The temporary Global Notes will be either exchangeable for interests in a permanent global note in bearer form (each a “**permanent Global Note**”) or for definitive Notes as specified in the relevant Pricing Supplement. If the Global Notes are stated in the relevant Pricing Supplement to be issued in new global note (“**NGN**”) form (“**New Global Notes**” or “**NGNs**”), they are intended to be eligible collateral for Eurosystem monetary policy and the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking SA (“**Clearstream**”).

Global Notes which are not issued in NGN form (“**Classic Global Notes**” or “**CGNs**”) may (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depository on behalf of Euroclear and Clearstream (the “**Common Depository**”) and (b) in the case of a Tranche intended to be cleared through Euroclear France as central depository or any other clearing system other than or in addition to Euroclear and Clearstream or delivered outside a clearing system, be deposited, as the case may be, with Euroclear France or as otherwise agreed between the Issuer and the relevant Dealer (as defined below).

The Programme has been rated Aa2/P1 by Moody’s Investors Services Limited (“**Moody’s**”) and AA/F1+ by Fitch Ratings Limited (“**Fitch Ratings**”). Unless otherwise specified in the relevant Pricing Supplement, long-term Notes to be issued under the Programme will be rated Aa2 by Moody’s and AA by Fitch Ratings and short-term Notes to be issued under the Programme will be rated P1 by Moody’s and F1+ by Fitch Ratings. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned to Notes issued under the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Each of Moody’s and Fitch Ratings is established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies as amended by Regulation (EU) No. 513/2011 (the “**CRA Regulation**”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website as of the date of this Information Memorandum¹.

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Information Memorandum and in particular those relating to the State Guarantee.

**Arranger
Deutsche Bank
Dealers**

**BNP PARIBAS
Crédit Agricole CIB
DZ BANK AG
HSBC**

**Commerzbank
Deutsche Bank
Goldman Sachs International
Natixis**

Société Générale Corporate & Investment Banking

¹ <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

RESPONSIBILITY STATEMENT

*The Issuer accepts responsibility for information contained in this Information Memorandum and the Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and contains no omission likely to affect the import of such information. This Information Memorandum is to be read in conjunction with all documents which are incorporated herein by reference as described in “Documents Incorporated by Reference” below and any supplements to this Information Memorandum published from time to time (each a “**Supplement**” and together the “**Supplements**”). This Information Memorandum shall be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum.*

In relation to each separate issue of Notes, the final offer price and the amount of such Notes will be determined by the Issuer and the relevant Dealers in accordance with prevailing market conditions at the time of the issue of the Notes and will be set out in the relevant Pricing Supplement.

*No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Dealers or the Arranger (as defined in “Subscription and Sale”). Neither the delivery of this Information Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or CIF Développement and the companies which CIF Développement controls within the meaning of article L. 233–3 I of the French Commercial Code, including 3CIF (hereinafter jointly referred to as the “**CIF Group**”) since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The distribution of this Information Memorandum and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Guarantor, the Dealers and the Arranger to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of the Notes in France, the United Kingdom, Japan and the United States (see “Subscription and Sale” below).*

*The Notes and the State Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Notes in bearer form, delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (“**Regulation S**”). For a description of certain restrictions on offers and sales of Notes and on distribution of this Information Memorandum, see “Subscription and Sale”.*

Neither this Information Memorandum nor any Pricing Supplement constitutes an offer of, or an invitation by or on behalf of any of the Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Notes. The Arranger and the Dealers have not separately verified the information contained in this Information Memorandum. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility with respect to the accuracy or completeness of any of the information in this Information Memorandum. Neither this Information Memorandum nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arranger or the Dealers that any recipient of this Information Memorandum

or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Information Memorandum and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the CIF Group or the Guarantor during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE (AS DEFINED IN “TERMS AND CONDITIONS OF THE NOTES” BELOW) OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (THE “STABILISING MANAGER(S)”) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE RELEVANT PRICING SUPPLEMENT 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, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, references to “Euro”, “€” and “euro” are to the single currency which was introduced in the participating member states of the European Union on 1 January 1999, and which is the lawful currency of, inter alia, France, references to the “United States” or the “U.S.” are to the United States of America and references to “U.S. dollars” and “U.S.\$” are to the lawful currency of the United States, references to “Yen” and “¥” are to the lawful currency of Japan, references to the “U.K.” are to the United Kingdom, references to “Sterling” and “£” are to the lawful currency of the United Kingdom.

The Republic of France has neither reviewed this Information Memorandum (nor any Supplement thereto) nor verified the information contained or incorporated by reference therein and makes no representation with respect to, or accepts any responsibility for, the contents of this Information Memorandum (or any such Supplement) or any other statement made or purported to be made on its behalf in connection with the Issuer and/or the CIF Group or the issue and offering of any Notes. The Republic of France accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Information Memorandum or any such Supplement or statement.

Forward Looking Statements

This Information Memorandum contains forward-looking statements. 3CIF may also make written forward-looking statements in their prospectuses, in press releases and other written materials made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Issuer’s and/or CIF Group’s beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them.

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RISK FACTORS

Prospective purchasers of the Notes offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, all of the information in this Information Memorandum and, in particular, the risk factors set forth below (which the Issuer, in its reasonable opinion, believes represents or may represent the risk factors known to it which may affect the Issuer's ability to fulfil its obligations under the Notes) in making an investment decision. Investors may lose the value of their entire investment in certain circumstances.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the risks inherent in investing in Notes issued under the Programme. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

Factors relating to the Issuer and its operations

Macro-risks in the European Union could have unforeseen negative consequences on the Issuer and the CIF Group.

Economic, monetary and political conditions and stability remain uncertain in the European Union, in particular, in a number of the euro zone members. If economic and financial conditions in the European Union or the euro zone component of the European Union deteriorate, or if fears persist that one or more European Union/euro zone members will default or restructure its or their indebtedness, or in the case of euro zone members withdrawing from the euro, the cost and availability of funding available to European banks, including 3CIF and CIF Développement and the companies which CIF Développement controls within the meaning of article L. 233-3 I of the French Commercial Code, including 3CIF (hereinafter jointly referred to as the “**CIF Group**”), may be affected, and such events could otherwise materially adversely affect the Issuer's financial condition and results of operations, including the value of its assets and liabilities.

CIF Group is in orderly resolution, and its ability successfully to complete its orderly resolution plan is significantly dependent on external factors.

CIF Group encountered refinancing and liquidity difficulties in the second half of 2011 and continuing into 2012, in the context of the financial crisis in Europe and the downgrading of its debt ratings. These difficulties led to the CIF Group requiring emergency liquidity assistance from the *Banque de France* in May 2012.

The consequences of these difficulties led to CIF Group having to redefine its business model which historically had always been exclusively dependent on the capital markets as the main source of its fund raising needs as it does not have a deposit-taking activity. Notwithstanding efforts to find alternative solutions for its business model, CIF Group was forced to seek further financing assistance from the French State which, in September 2012, agreed to provide a State guarantee to guarantee, *inter alia*, future debt issues by 3CIF to enable it to cover the CIF Group's liquidity needs. The European Commission, firstly in February 2013 and then in August 2013, published notices announcing that it has authorised this State guarantee on a provisional basis and subject to certain conditions for a period terminating on 28 November 2013 (the “**EC Temporary Decisions**”). During this period, CIF Group was required to prepare an orderly resolution plan involving the cessation of any non-viable activities and the sale of viable businesses. On 27 November 2013, the European Commission published a further

announcement approving the orderly resolution plan (the “**EC Final Decision**”) opening the way for the French State to provide the financial assistance through the State guarantee on a more permanent basis.

On 27 November 2013, the French State issued the permanent State Guarantee which will over time effectively replace, subject to its terms, the Temporary Guarantee (as defined below) which will remain in force in respect of various debt incurred by 3CIF benefitting from the Temporary Guarantee. See “Risk Factors - Factors relating to the State Guarantee” below.

The orderly resolution plan, in essence, envisages the sale of those businesses of CIF Group considered viable and saleable within a specified period, and the run-off of the other non-viable businesses without new production.

See the sections entitled “Description of the Issuer – The Financial Crisis and its effect on the CIF Group”, “Recent Developments”, “The State Guarantee” and “Risk Factors - Factors relating to the State Guarantee” below.

CIF Group’s ability to execute the orderly resolution plan successfully, and thus avoid a disorderly liquidation, is heavily dependent on a number of external factors over which CIF Group has little or no control including: (i) the accuracy of the macro-economic assumptions underlying the plan; (ii) the evolution of credit spreads and interest rates; (iii) the absence of any major credit event over the duration of the plan; (iv) substantial access by CIF Group to the capital markets, and to issue significant amounts of government guaranteed bonds in the capital markets; (v) the ability of CIF Group to execute the disposals required under the plan on acceptable terms; and (vi) the ability to continue to manage and operate the remaining business which it will be winding-down in an efficient manner.

Any significant deviation from one or more of these assumptions could have a material adverse impact on CIF Group and on the Issuer’s financial condition and results of operations. Consequently, the Issuer’s ability to meet its payment obligations under the Notes could be affected.

As a financial institution in run-off, the CIF Group is particularly vulnerable to fluctuations in interest rates and other parameters.

As required by the EU Decision, the orderly resolution plan contemplates that CIF Group will not engage in new loan production. Since the CIF Group can no longer engage in any meaningful loan production, its ability to actively manage its assets and liabilities is substantially constrained as compared to a commercially active credit institution, and both its balance sheet and its off-balance sheet commitments are particularly vulnerable to fluctuations in interest rates and exchange rates (see “The CIF Group is exposed to fluctuations in its cash collateral requirements” below).

The CIF Group is exposed to fluctuations in its cash collateral requirements.

The CIF Group has a significant derivatives portfolio, consisting primarily of interest rate derivatives. That portfolio generates a cash collateral requirement that is highly sensitive to fluctuations in foreign exchange rates and interest rates. Significant deviations in those rates from the levels assumed in the final orderly resolution plan would increase the CIF Group’s and the Issuer’s funding needs and costs, and have a material adverse effect on their financial condition and results of operations.

Adjustments to the carrying value of the Issuer’s securities and derivatives portfolios could have an impact on its net income and shareholders’ equity.

The carrying value of the Issuer’s securities and derivatives portfolios and certain other assets in its balance sheet is adjusted as of each financial statement date. Most of the adjustments are made on the basis of changes in fair value of the assets during an accounting period, with the changes recorded either in the income statement or directly in shareholders’ equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect its net banking income and, as a result, its net income. All fair value adjustments affect shareholders’ equity and, as a result, capital adequacy ratios. The fact that fair value adjustments

are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

The CIF Group has a significant level of encumbered assets and the encumbrance of assets may remain at a significant level going forward.

The CIF Group's funding now mainly relies on government guaranteed funding.

Certain assets of CIF Group have been pledged in security to the French State in return for the State Guarantee and further security may be required in the future.

In addition, significant refinancing is carried out through CIF Euromortgage, the CIF Group's covered bond issuing subsidiary, whose assets are by law secured in favour of most (if not all) of its creditors. The CIF Group may also develop secured borrowing using the repo market. Consequently, the proportion of encumbered to unencumbered assets may remain at a significant level going forward. This may also arise as a result of the need to post appropriate collateral in connection with other derivative transactions including for hedging purposes.

The CIF Group is exposed to a substantial liquidity risk.

Generally, liquidity risk is the risk that the Issuer will experience difficulty in financing its assets and/or meeting its contractual payment obligations as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds. This risk is inherent in banking operations generally, but is especially acute in the case of the Issuer, given its substantial short term funding needs and that it is exclusively reliant on the capital markets for its funding needs.

The Issuer's liquidity may be impacted as a result of a reluctance of the Issuer's counterparties or the market to finance the Issuer's operations due to actual or perceived weaknesses in the Issuer's financial condition or prospects as resulted during the financial crisis and led to the need for the State Guarantee. Such effects can also arise from circumstances unrelated to the Issuer's businesses and outside its control, such as, but not limited to, sovereign credit ratings, disruption in the financial markets, negative developments concerning other financial institutions, a negative perception of the financial services industry in general, disruption in the markets for any specific class of assets or major events or disasters of global significance. Negative perceptions of the Issuer's financial condition or prospects could develop as a result of material unanticipated losses, changes in its credit ratings or regulatory action, as well as many other reasons. This risk can be increased by an over-reliance on a particular source of funding (including, for example, short term funding) or other factors, such as a high sensitivity to fluctuations in foreign exchange rates or interest rates (see "The CIF Group is exposed to fluctuations in its cash collateral requirements"). However, 3CIF is eligible for the Permanent French State Guarantee. See "The State Guarantee" on page 58.

According to the Basel Committee recommendations, the European Commission adopted the Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation or "CRR"). It settles the liquid asset level required in order to overcome a potential liquidity disruption over a 30-day period. HQLA level 1 are the most liquid assets. They may be used without limit in the liquidity buffer and are not subject to a discount (or haircut) to their market value. They include assets issued by credit institutions which benefit from the guarantee of a European Member State where the guarantee was granted or committed for a maximum amount prior to 30 June 2014 and is a direct, explicit, irrevocable and unconditional guarantee and covers the failure to pay principal and interest when due. 3CIF Debt Issuance Programme benefits from a direct, explicit, irrevocable and unconditional guarantee of the French Republic since 27 November 2013.

As a credit institution, the Issuer is exposed to the creditworthiness of its counterparties.

The Issuer may suffer losses related to the inability of its customers or other counterparties to meet their financial obligations.

Since 3CIF does not lend to individuals and loans to CIF Group companies as covered by the CIFD mutual guarantee system, the Issuer's main exposure comes from various counterparties outside the CIF Group which may be significant. This exposure can arise through the acquisition of securities and other investments when managing its liquidity reserves and investing excess cash, and purchasing derivatives instruments for hedging purposes. These counterparties include institutional clients, brokers and dealers, commercial banks, investment banks and mutuals. Many of these relationships expose the Issuer to credit risk in the event of default of a counterparty. In addition, the Issuer's and/or the CIF Group's credit risk may be increased when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover, which could in turn affect the Issuer's ability to meet its payments under the Notes.

The Issuer cannot assume that its level of provisions will be adequate or that it will not have to make significant additional provisions for possible bad and doubtful debts in future periods. The weakness or insolvency of these counterparties may impair the effectiveness of the Issuer's or the CIF Group's hedging and other risk management strategies, which could in turn affect the Issuer's ability to meet its payments under the Notes.

As market conditions change, the fair value of the Issuer's or the CIF Group's exposures to counterparties could fall further and result in additional losses or impairment charges, which could have a material adverse effect on the Issuer's or the CIF Group's financial condition and/or results of operations (see also "The CIF Group and the Issuer are exposed to concentration risk"). Such losses or impairment charges could derive from: a decline in the value of exposures; a decline in the ability of counterparties, to meet their obligations as they fall due; or the ineffectiveness of hedging and other risk management strategies in circumstances of severe stress. Any value ultimately realised by the Issuer on sale of an asset will depend on the prices achievable in the market following the decision to sell which may be higher or lower than the asset's current estimated value. If there is a shortfall between the proceeds obtained on disposal and the carrying value of the asset on the balance sheet there would be an adverse effect on the Issuer's or the CIF Group's financial condition and/or result of operations, which could in turn affect the Issuer's ability to meet its payment obligations under the Notes.

Operational risks, including any systems failures or interruptions, could have a material adverse effect on the Issuer.

Operational risk is defined as the risk of loss arising from the inadequacy or failure of procedures, individuals or internal systems, or external events including, but not limited to, natural disasters and fires. It includes risk relating to the security of information systems, litigation risk and reputational risk.

Unforeseen events such as severe natural catastrophes, or other states of emergency can lead to an abrupt interruption of the Issuer's operations, which can cause substantial losses. Such losses can relate to property, financial assets, trading positions or key employees. Such unforeseen events can also lead to additional costs (such as relocation of employees affected) and increase the Issuer's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the CIF Group's risk.

As with most other banks, the CIF Group relies heavily on communications and information systems to conduct its business. Any failure, interruption or breach in security of these systems could result in failures or interruptions in the CIF Group's customer relationship management, general ledger, servicing and/or loan organisation systems. The CIF Group cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on the CIF Group's financial condition and results of operations.

In the case of the CIF Group, operational risk may be increased by several factors related to the evolution from the implementation of the final orderly resolution plan. These factors include (i) the HR, IT and operational disruptions caused by the disposals to be carried out by the CIF Group, (ii) the complexity of the disentanglement issues and the transitional arrangements associated with those divestitures, and (iii) the overall decrease in staff levels across the CIF Group.

The Issuer may not be able to attract and retain skilled management and other personnel, thus increasing operational risk.

As an institution in run-off mode, the Issuer is operating with decreasing levels of staff while the complexity and magnitude of the CIF Group's activities remain significant. The Issuer may consequently experience difficulties in attracting and retaining personnel, including key personnel.

Historical financial statements are not indicative of future performance.

Implementation of the structural measures linked to any final orderly resolution plan is likely to have in the foreseeable future a significant impact on the CIF Group's profile. Since completion of the disposals contemplated by the orderly resolution plan all regional financial subsidiaries have been merged into CIF Développement at the end of the first quarter 2017. 3CIF and CIF Euromortgage remain the sole subsidiaries of the CIF Group.

As a result, it will be more difficult to provide an accurate assessment of the Issuer's results of operations based on its historical results of operations and financial condition, and this may make it more difficult for investors to evaluate the Issuer's activities and future prospects, both of which will increase the risk related to an investment in the Notes. Any assessment of future prospects should therefore take into account the terms of the final orderly resolution plan. The profitability of the CIF Group may be negatively affected by the final orderly resolution plan, the cost of the State Guarantee and the run-off management.

Increased regulation will impact financial institutions including the Issuer and CIF Group.

The recent developments in the global markets have led and are likely to continue to lead to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. The European Union and governments and regulatory authorities in France and elsewhere are already introducing, or may in the future introduce, a significantly more restrictive regulatory environment including new accounting and capital adequacy rules, additional taxes on financial activities or financial transactions, restrictions on bonuses and termination payments for key personnel and new regulation of derivative instruments or the valuation of financial instruments. It is uncertain how the more rigorous regulatory climate will impact financial institutions including the Issuer and other members of the CIF Group, but it could materially affect the Issuer's financial condition or results.

Basel III/ CRD IV/ CRD IV Regulation are expected to materially impact CIF Group and the Issuer's capital ratios.

The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general. The Basel III reforms have started to be implemented by relevant authorities in the European Union. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "CRD IV") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "CRD IV Regulation") were published in the Official Journal of the European Union on 27 June 2013 and have been applied as from 1 January 2014 (except for capital buffer provisions which has been applied as from 1 January 2016). The CRD IV was implemented under French law by the banking reform dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) and several *décrets* and *arrêtés* dated 3 November 2014.

The implementation of Basel II and Basel III has brought and will continue to bring about a number of substantial changes to the current regulatory capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of Basel II, Basel III, CRD IV and CRD IV Regulation relating to, *inter alia*, credit institutions will depend on the particular asset structure of each bank and its precise impact on the Issuer cannot be quantified with certainty at this time. Certain other more

detailed technical standards applying and/or interpreting these rules remain to be finalised. It is difficult to assess the full impact on the CIF Group and the Issuer of the revised rules at this time. However, in line with other financial institutions, the impact on the CIF Group's and the Issuer's capital ratios, in the absence of mitigating actions, may be material.

In addition, the implementation of Basel II and Basel III could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation of the CRD IV and the CRD IV Regulation. Accordingly, recipients of this Information Memorandum should consult their own advisers as to the consequences and effects that the implementation of CRD IV and CRD IV Regulation could have on them.

The European Union has established an EU-wide framework for the recovery and resolution of credit institutions allowing the relevant Resolution Authority (as defined below) to take a range of actions in relation to credit institutions subject to resolution proceedings, including the write-down or conversion of eligible liabilities into equity (the "Bail-in Tool"). Given the specific position of the Issuer, the imposition of the Bail-in Tool is unlikely to impact the Issuer but, if it were imposed, it could materially affect the Notes and the value of such Notes.

Directive 2014/59/EU of the European Parliament and of the Council dated 15 May 2014 (the "**BRRD**") providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms entered into force on 2 July 2014. The stated aim of the BRRD and of Regulation (EU) 806/2014 of the European Parliament and of the Council of the European Union of 15 July 2014 (the "**SRM Regulation**") is to provide the relevant national authorities designated by each EU Member State (the "**Resolution Authority**") with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. Under the SRM Regulation a centralised power of resolution is established and entrusted to the Single Resolution Board (the "**SRB**") and to the national resolution authorities.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant Resolution Authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures or supervisory action would prevent the failure of such institution within a reasonable timeframe and (c) a resolution action is in the public interest:

- (i) *sale of business* – enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms without the consent of the shareholders and without complying with the procedural requirements under company or securities law other than those expressly set out in the BRRD;
- (ii) *bridge institution* – enables resolution authorities to transfer all or part of the business of the firm to a "bridge bank" (a publicly controlled entity);
- (iii) *asset separation* – enables resolution authorities to transfer impaired assets to a publicly controlled asset management vehicle to allow them to be managed and worked out over time; and
- (iv) *bail-in* – gives resolution authorities the power (the "**Bail-in Tool**") to write-down eligible liabilities of a credit institution in resolution or to convert such eligible liabilities into equity.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Under the BRRD, holders of Notes may be subject to write-down or conversion into equity on any application of the Bail-in Tool, which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes.

In France, the BRRD has been implemented in several stages. The French banking law dated 26 July 2013 on the separation and regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) (the

“**French Banking Law**”) anticipated the implementation of some elements of the BRRD. The French Banking Law gave resolution powers to a new Resolution Board of the French Prudential Supervisory Authority which became the *Autorité de contrôle prudentiel et de résolution* (“**ACPR**”). Subsequently, *Ordonnance n°2015-1024* dated 21 August 2015 introduced various provisions amending, among others, crisis prevention and management measures applicable to credit institutions provided for in Articles L.613-48 *et seq.* of the French *Code monétaire et financier* and supplemented the French Banking Law to adapt French law to the BRRD. Further implementation measures have been enacted with (i) the Decree n°2015-1160 dated 17 September 2015, (ii) the order (*arrêté*) dated 11 September 2015 which implements Annex A of the BRRD on recovery plans, (iii) the order dated 11 September 2015 implementing Annex B of the BRRD on resolution plans, and (iv) the order dated 11 September 2015 implementing Annex C on the evaluation criteria to be used for resolutions.

The provisions contained in *Ordonnance n°2015-1024* are effective as of 1 January 2016 in particular those relating to minimum capital requirements and eligible commitments as well as those relating to the general bail-in tool.

Since 1 January 2016, French credit institutions have to meet, at all times, a “minimum requirement for own funds and eligible liabilities” (“**MREL**”) pursuant to Article L. 613-44 of the French *Code monétaire et financier*. The MREL is expressed as a percentage of the total liabilities and own funds of the institution. The MREL aims at avoiding institutions to structure their liabilities in a manner that impedes the effectiveness of the Bail-in Tool. The Issuer is not subject to this minimum requirement.

In accordance with the provisions of the SRM Regulation, the SRB replaces the national resolution authorities designated under the BRRD in respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD will continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the banks’ resolution plans have applied since 1 January 2015 and the SRM is fully operational since 1 January 2016.

On 23 November 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including the CRD IV, the CRD IV Regulation, the BRRD and the SRM Regulation. If adopted, these legislative proposals would, among other things, modify the requirements applicable to the “minimum requirement for own funds and eligible liabilities” (MREL). The implementation of the current texts and the new proposals, and their application to the Issuer or the taking of any action thereunder is currently uncertain.

It is possible that the resolution measures could be applied to the Issuer including the Bail-in Tool, which could be used in respect of certain of the Issuer’s liabilities (including the Notes) and if this were to occur, such an action could materially affect the value of any Notes. Given the Issuer’s specific position, however, (being in run off) and the fact that it is expected to become subject to a final orderly resolution plan in the near future, it is unlikely that (except for the Bail-in Tool) the Issuer will be impacted by the BRRD.

The Issuer only intends to issue under the Programme Notes constituting unsecured senior preferred obligations falling within the category of obligations described in Article L.613-30-3-I-3° of the French *Code monétaire et financier* and not any subordinated obligations or senior non-preferred obligations.

Factors relating to the State Guarantee

On 28 February 2013, the French State granted a temporary guarantee up to a maximum of €7,000,000,000 of all amounts comprising principal and interest thereon (including late payments interest, costs, etc.) relating to unsecured debt issues by 3CIF at the latest on 31 August 2013 (the “**Initial Guarantee**”). Such Initial Guarantee was amended on 22 August 2013 to increase the maximum amount of such guarantee up to €8,000,000,000 and to extend the issue period until 28 November 2013 (the “**Amended Initial Guarantee**” and, together with the Initial Guarantee, the “**Temporary Guarantee**”). The Temporary Guarantee was granted on the basis of the EC Temporary Decisions pending the approval of the orderly resolution plan relating to the CIF Group. Such orderly

resolution plan was approved by the European Commission pursuant to the EC Final Decision on 27 November 2013 and approving the granting of the State Guarantee in its final form which, apart from the principal amount covered by the State Guarantee and the permitted issue period, is in substantially the same form as the Temporary Guarantee.

(a) Criteria for benefitting from and making claims under the State Guarantee:

The State Guarantee is not specific to the Programme and is capped.

In order for any new Series of Notes to benefit from the State Guarantee, such Notes and their issue must comply with certain criteria set out in such State Guarantee which, with regard to the State Guarantee dated 27 November 2013, comprise the following criteria:

- (i) the Notes must be unsecured and unsubordinated;
- (ii) the Notes must be issued no later than 30 September 2035 and their maturity date must not extend beyond 31 December 2035;
- (iii) the minimum maturity of the Notes must be three (3) months and the maximum maturity of the Notes must be five (5) years, from the date of issue of the Notes;
- (iv) the relevant issue of Notes must have been issued with the prior approval of the French State; and
- (v) the maximum aggregate amount payable under the State Guarantee from time to time in respect of all unsecured debt securities of 3CIF (including Notes issued by 3CIF under the Programme) (including all amounts comprising principal and interest thereon (including late payments interest, costs, etc.)) will be set out in the State Guarantee and is €16,000,000,000 which includes all amounts guaranteed pursuant to the Temporary Guarantee. If applicable, any additional amounts payable in the event of any withholding or deduction on payments on any such Notes pursuant to Condition 7(b) of the Notes or otherwise in relation to any other debt securities benefitting from the State Guarantee will also be included in such maximum aggregate amount payable. Though the Issuer is required to monitor and to represent for each issue of Notes benefitting from the State Guarantee that such maximum aggregate amount is not exceeded and that such issue of Notes will fully benefit from the State Guarantee, such verification lies ultimately with the Issuer, and there can be no assurance that such maximum aggregate amount either at the time of issue of such Notes and/or as a result of any circumstances arising during the term of such Notes (such as for example changes in interest rates), may not be exceeded. Any claims remaining unpaid after the maximum aggregate amount payable under the State Guarantee has been paid out will no longer benefit from the State Guarantee.

Notes which do not have the foregoing characteristics and/or where the foregoing criteria have not been complied with, will not, and will not be, entitled to, benefit from the State Guarantee. If the State Guarantee is amended or replaced, it may contain different and/or additional criteria which require to be complied with in order for any Note issued on or after the date of any such amendment or replacement to benefit therefrom. It is not expected that any such different or additional criteria will affect Notes issued prior to such amendment or replacement.

As of 30 June 2017, the Issuer has outstanding €7.730 billion (or equivalent) of claims of principal benefitting from the State Guarantee and the Temporary Guarantee.

Any demand for payment under the State Guarantee must be accompanied by the information and documentation required by Article 2.2.1 of, and the Appendix entitled “Demand for Payment” to, the State Guarantee and otherwise in accordance with the State Guarantee. For this purposes, any such demands not received on a Business Day (defined in the State Guarantee as being any day (other than a Saturday or Sunday) on which banks in Paris are open for business) or received after 5 pm on a Business Day shall be deemed to have been received on the next following Business Day.

Any such demand for payment in respect of any Notes must be made no later than 45 Business Days following the maturity date of such Notes failing which claims therefor under the State Guarantee shall no longer be valid.

Claims validly made under the State Guarantee will be paid at the latest on the fifth Business Day following receipt by or on behalf of The Republic of France of the relevant demand for payment.

Payments under the Guarantee will be made only in Euros.

Investors in such Notes are reminded that, while such Notes are represented by a Global Note, any claims and/or demands for payments under the State Guarantee must be exercised through, and in accordance with, the standard procedures of Euroclear, Clearstream and/or any other clearing system through which such Notes are held and/or cleared. Accordingly, holders of such Notes must, and are solely responsible for, notifying and liaising with their financial intermediary and/or custodian in order to ensure that the necessary steps are taken to validly exercise their rights under the State Guarantee in a timely manner and, in particular, must notify any such financial intermediary and/or custodian sufficiently in advance in order for any claim under the State Guarantee to be made in accordance with its terms.

(b) Amendments to, and/or replacement of, the State Guarantee:

Without prejudice to any rights of the beneficiaries of the State Guarantee, the French State has reserved the right in its sole discretion to amend the State Guarantee, in order to comply with any applicable European State aid rules.

(c) EU Commission Approvals:

The EU Commission in its press release dated 21 February 2013 announced that it had adopted a decision (the “**First EC Temporary Decision**”), on the same day, approving a French State guarantee on a temporary basis in respect of issues by 3CIF of securities on the capital markets up to a maximum of €7,000,000,000 issued within six months of the date of such decision pursuant to which the French State issued on the same day the Initial Guarantee on a temporary basis guaranteeing such issues. The EU Commission in its press release dated 14 August 2013 announced that it had adopted a further decision (the “**Second EC Temporary Decision**”), on the same day, extending the approval of the Initial Guarantee also on a temporary basis in respect of issues by 3CIF of securities on the capital markets up to a maximum of €8,000,000,000 issued no later than 28 November 2013 pursuant to which the French State accordingly modified the Initial Guarantee and granted the Amended Initial Guarantee on 22 August 2013.

The Initial Amended Guarantee issued following the Second EC Temporary Decision (which replaced the Initial Guarantee issued following the First EC Temporary Decision) is itself expressed as having being granted on a temporary basis.

The EU Commission in its press release dated 27 November 2013 announced that it had adopted under EU State aid rules the EC Final Decision approving the orderly resolution plan relating to the CIF Group and the provision by the French State of up to €28,000,000,000 of State guarantees to fund such orderly resolution plan. This amount is split between €12 billion to cover the exposures of CIF Assets and CIF Euromortgage on 3CIF and €16 billion for issues of 3CIF. See “Description of the Issuer - The Financial Crisis and its effects on the CIF Group”. Following this decision and for the purposes of the external debt elements, the French State issued the State Guarantee dated 27 November 2013 guaranteeing up to a maximum of €16,000,000,000 of all amounts comprising principal and interest thereon (including late payments interest, costs, etc.) relating to unsecured debt issues by 3CIF.

Any decision (whether temporary or final) by the EU Commission may be modified, repealed, withdrawn, suspended or annulled. The grounds for any such modification, repeal, withdrawal, suspension or annulment include the possibility that the decision has been taken on the basis of information supplied by a Member State of the EU which proves to be incorrect and a determining factor for such decision or that the relevant aid will be used in contravention of any conditions applying to the application of such aid.

The decision may also be annulled, declared void or non-existent or be successfully appealed by any member State of the EU or any other interested party. Any such appeal must be commenced prior to the end of the period of 2 months and twenty four days commencing on the date of publication of the EU Commission decision in the Official Journal of the EU Commission.

If any such challenge were to arise and were to be successful, then it may have a material adverse effect on the validity of the State Guarantee including in respect of any outstanding Series of Notes issued purportedly with the benefit of the State Guarantee. There are good grounds for believing that, in the event that the Commission Decision authorising the State aid is annulled or revoked, the Noteholders should not be held to be the recipients of incompatible State aid, and therefore such decision should not impact the continued effectiveness of the Guarantee with respect to outstanding Notes issued under the Programme prior to the date of such annulment or revocation. Nevertheless, no assurances can be given that an annulment or revocation of such Commission Decision would not have an adverse effect on the Guarantee and Noteholders' rights thereunder.

(d) Expiration and Termination of the State Guarantee:

The State Guarantee will expire automatically on the date that the amount paid out thereunder has reached the maximum aggregate amount which can be guaranteed thereunder and no claim in respect of any Notes may be validly made after such date (See Article 4.1.1 of the State Guarantee) and any such claims made prior to such time but remaining unpaid at such time will not benefit from the State Guarantee.

The State Guarantee may also be terminated by The Republic of France in accordance with the provisions of Article 4.1.2 of the State Guarantee including in the case of any change of control relating to 3CIF or certain other members of the CIF Group or any failure by 3CIF or certain other members of the CIF Group to comply with any provisions of the State Guarantee or the Amended Initial Guarantee or of the protocol agreement entered into between, *inter alia*, 3CIF and The Republic of France dated 27 November 2013 (the "**Protocol**") (which replaces the previous protocol between them dated 28 February 2013 as amended on 22 August 2013). Any such expiration or termination of the State Guarantee shall not affect any application of the State Guarantee validly granted to any issue of Notes by 3CIF prior to such expiration or termination.

(e) Withholding tax and gross-up under the State Guarantee:

The State Guarantee does not impose any obligation on The Republic of France, and The Republic of France shall not be obliged, to pay additional amounts in the event of any deduction or withholding for or on account of any taxes or duties, present or future, in respect of any payments made under the State Guarantee.

(f) Governing Law and Jurisdiction and Language:

The State Guarantee is governed by the laws of The Republic of France and the competent courts within the jurisdiction of the *Cour d'Appel* in Paris have exclusive jurisdiction to settle any disputes relating thereto.

While The Republic of France is not immune from jurisdiction before the French courts, its assets and properties cannot be subject to any attachment or execution in The Republic of France and the enforcement of any judgment against The Republic of France is subject to a special procedure under the French Administrative Justice Code.

The French language text of the State Guarantee is set out elsewhere in the Information Memorandum together with an English language convenience translation thereof. See the section entitled "*The State Guarantee*". The French language text is the only binding text and will prevail in the event of any inconsistencies with the English-language text.

Factors Relating to the Notes

The Notes may not be a suitable investment for all investors

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

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The trading market for debt securities may be volatile and may be adversely impacted by many events.

The market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

An active trading market for the Notes may not develop

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer is entitled to purchase the Notes, as described in Condition 5(c), and the Issuer may issue further notes, as described in Condition 12. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

Any early redemption at the option of the Issuer, if provided for in any Pricing Supplement for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.

Unless in the case of any particular Tranche of Notes the relevant Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any 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 the jurisdiction of the Issuer or a political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, the Pricing Supplement for a particular issue of Notes may provide for early redemption at the option of the Issuer. Such right of termination is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of termination increases.

As a consequence of an early redemption of the Notes, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

A partial redemption at the option of the Issuer or a redemption at the option of the Noteholders may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised

Depending on the number of Notes of the same Series in respect of which a partial redemption of the Notes at the option of the Noteholders or at the option of the Issuer is made, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

Limited events of default

There are limited events of default under the Notes allowing Noteholders to accelerate payments under the Notes. These events of default relates to any default in payment under the State Guarantee, failure by any party to comply with any of the terms of the State Guarantee and/or the State Guarantee ceasing to be in full force and effect.

No Negative Pledge or other covenants

The terms and conditions of the Notes do not contain any negative pledge or other financial covenants.

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

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

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 its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on Noteholders generally in France is described under “*Taxation*” below; however, the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the Notes.

Fixed Rate Notes

Investors in Fixed Rate Notes are exposed to the risk that subsequent changes in interest rates or in the rate inflation may adversely affect the value of such Notes. Generally, prices of fixed interest rate bonds tend to fall when market interest rates rise.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield for Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. This means that investors may only reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Fixed to Floating Rate Notes

Fixed to Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Zero coupon bonds are subject to higher price fluctuations than non-discounted bonds.

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

Exchange rate risks and exchange controls

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

equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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

Modification

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. In addition, as the Notes are issued with the benefit of the State Guarantor, a rating downgrade of The Republic of France may lead to a rating downgrade of the Issuer and/or the Programme and/or any Notes.

Change of law or administrative practice

The terms and conditions of the Notes and the State Guarantee are based on English law and, respectively, French law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change in English law or, as the case may be, French law, or the official application or interpretation of English law or, as the case may be, French law or administrative practice after the date of this Information Memorandum and any such change could materially adversely affect the value of any Notes affected by it.

Holdings of less than the minimum Specified Denomination

To the extent permitted by the applicable law(s) and in relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the Specified Denomination (or its equivalent) that are not integral multiples of the Specified Denomination (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Reliance on the clearing system procedures for transfer, payment and communication with the Issuer.

Notes may be deposited with a common depositary or a common safekeeper for Euroclear and Clearstream or with Euroclear France as central depositary or with any other clearing system as agreed between the Issuer and the relevant Dealer. Except in the circumstances described in the Global Notes, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream or such other clearing system will maintain records of the beneficial interests in the Global Notes. While the Notes are in global form, investors will be able to trade their beneficial interests only through Euroclear or Clearstream or such other clearing system, as the case may be. While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments to, or to the account of, the common depositary or the common safekeeper or such other depositary or entity related to such other clearing system. A holder of a beneficial interest in a Note must rely on the procedures of Euroclear or Clearstream or such other clearing system, as the case may be, to receive payments under the Notes. The Issuer has

no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such a Global Note (see “*Summary of Provisions relating to the Notes while in Global Form*” below)

Potential Conflicts of Interest

All or some of the Dealers and their affiliates have and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates or the Guarantor and/or any state agencies and in relation to securities issued by any of them. Such Dealers have engaged (i) in or may engage in investment banking, trading or hedging activities with any of them including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) have acted or may act as underwriters in connection with offering of shares or other securities issued by any of them or (iii) have acted or may act as financial advisers to any of them. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by any of them. Where applicable, they have or will receive customary fees and commissions for these transactions.

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

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain discretionary determinations and judgments that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable by the Noteholders during the term of the Notes and upon redemption of the Notes.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Information Memorandum and/or in any supplement thereto but to ask for their own tax adviser’s advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration should be read in conjunction with the taxation sections of this Information Memorandum and the additional tax sections, if any, contained in any supplement to this Information Memorandum or the applicable Pricing Supplement.

U.S. Foreign Account Tax Compliance Withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is a foreign financial institution for these purposes. Notes, however, that are treated as debt for U.S. federal income tax purposes and issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. As of the date of this Information Memorandum, no such regulations have been filed. If additional notes (as described under “**Terms and Conditions—Further Issues**”) that are not distinguishable from these Notes are issued after the expiration of the grandfather period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered hereby, as subject to withholding under FATCA. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

A number of jurisdictions (including France) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the French IGA, withholding on passthru payments is not currently required.

Certain aspects of the application of these rules to instruments such as the Notes are not clear at this time. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

*Proposed financial transactions tax (“**FTT**”)*

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in 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 very broad scope and could, if introduced, apply to certain dealings in the Notes in certain circumstances, save for the issuance and subscription of Notes which should, however, be exempt.

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.

However, the Commission’s Proposal remains subject to negotiation between 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 and/or other participating Member States decide to withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

French Insolvency Law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in case of the opening in France of a preservation procedure (*procédure de sauvegarde*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer, in order to defend their common interests.

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

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated financial preservation plan (*projet de plan de sauvegarde financière accélérée*) or draft 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 and/or 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.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required on convocation of the Assembly. For the avoidance of doubt, the provisions relating to the meetings of the Noteholders described in the Terms and Conditions of the Notes set out in this Information Memorandum and in the relevant schedules to the Agency Agreement and, if applicable, any supplement thereto or the applicable Pricing Supplement will not be applicable in these circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

This Information Memorandum should be read and construed in conjunction with the following documents:

- (a) the English translation of the 2016 Annual Report of the Issuer (“**2016 AR**”);
- (b) the English translation of the 2015 Annual Report of the Issuer (“**2015 AR**”); and
- (c) The French-language version of the 2017 Interim Report of the Issuer (“**2017 IR**”)

which have been previously published or are published simultaneously with this Information Memorandum and which have been filed with the CSSF and shall be deemed to be incorporated in, and form part of, this Information Memorandum.

The terms and conditions of the Notes contained on:

- (a) pages 30 to 49 (inclusive) of the information memorandum dated 19 December 2013 relating to the Programme;
- (b) pages 31 to 50 (inclusive) of the information memorandum dated 19 December 2014 relating to the Programme; and
- (c) pages 32 to 51 (inclusive) of the Information Memorandum dated 14 June 2016 relating to the Programme,

are also deemed to be incorporated in, and form part of, this Information Memorandum.

Following the publication of this Information Memorandum, supplements may be prepared from time to time by the Issuer. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

The Issuer will provide, without charge, during normal business hours to each person to whom a copy of this Information Memorandum has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which or portions of which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its principal office set out at the end of this Information Memorandum. In addition, such documents will be available free of charge during normal business hours from the specified office in Luxembourg of BNP Paribas Securities Services, Luxembourg Branch. Such documents are also available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The non-incorporated parts of the documents incorporated by reference in this Information Memorandum shall not form part of this Information Memorandum, are given for information purposes only and are either not relevant for the investors or covered elsewhere in this Information Memorandum. Any documents themselves incorporated by reference in the documents incorporated by reference in this Information Memorandum shall not form part of this Information Memorandum.

The Issuer may, in the event of there being any significant new factor, material mistake or inaccuracy relating to information included in this Information Memorandum which is capable of affecting the assessment of the Notes, prepare if appropriate a supplement to this Information Memorandum or publish a new Information Memorandum for use in connection with any subsequent issue of Notes.

Information incorporated by reference	Reference	Reference
Audited annual financial statements for the financial years ended 31 December 2016 and 2015	2016 AR	2015 AR
Information about the Issuer	Page 4	Page 4
Business overview	Pages 4 to 18	Pages 4 to 22
Organisational structure	Pages 4 to 10	Pages 4 to 10
Trend information	Pages 55 to 56	Pages 56 to 57
Board of directors and general management	Pages 59 to 62	Pages 61 to 63
Major shareholders	Page 39	Page 39
Financial information concerning the Issuer	Pages 36 to 39	Pages 37 to 39
Balance sheet	Pages 64 and 65	Pages 65 and 66
Off balance sheet items	Page 66	Page 67
Income statement	Page 67	Page 68
Notes in respect of the financial statements	Pages 68 to 103	Pages 69 to 103
Cash Flow statements	Pages 104 to 105	Pages 104 to 105
Auditors' report in respect of the financial statements	Pages 116 to 120	Pages 106 to 108
Share capital	Page 39	Page 39
Unaudited semi-annual financial statements for the six months ended 30 June 2017	2017 IR	
Information about the Issuer	Page 3	
Organizational structure	Page 4	
Business overview	Page 6	
Board of directors and general management	Page 15	
Balance sheet	Page 32	
Off balance sheet items	Page 33	
Income statement	Page 34	
Notes	Page 62	
Cash Flow statements	Page 63	
Auditors' limited review report	Page 63	
Share capital	Page 30	

GENERAL DESCRIPTION OF THE PROGRAMME

Words and expressions defined in “Terms and Conditions of the Notes” below shall have the same meanings in this general description.

Issuer	Caisse Centrale du Crédit Immobilier de France – 3CIF.
Description of the Issuer	The Issuer is a member of Crédit Immobilier de France - CIF a French independent network specialising in the granting of residential loans (the “ CIF Group ” or the “ Network ”). Crédit Immobilier de France benefits from a special legal framework resulting from the Ordinance of 25 August 2006 ratified by the law of 18 December 2006 that organises the Crédit Immobilier de France Group companies’ credit activities into a new network held through Crédit Immobilier de France Développement – CIFD (“ CIFD ”) and endows CIFD with the status of central regulatory authority, as defined in Articles L.511-31 and L.511-32 of the French Monetary and Financial Code. 3CIF is a bank incorporated under French Law. 3CIF’s primary business consists of funding loans granted by the CIF Group. It also provides members of the CIF Group with hedging instruments, treasury management, transaction processing and various banking services.
Guarantor	The Republic of France pursuant to the State Guarantee (see further “State Guarantee” below).
Description	Debt Issuance Programme guaranteed by The Republic of France.
Programme Limit	Euro 12,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
Arranger	Deutsche Bank AG, Paris Branch
Dealers	BNP Paribas Crédit Agricole Corporate and Investment Bank Commerzbank Aktiengesellschaft Deutsche Bank Aktiengesellschaft DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main Goldman Sachs International HSBC France Natixis Société Générale
	The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Information Memorandum to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and

whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

Fiscal Agent

Citibank, N.A.

Method of Issue

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “**Series**”). Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the applicable pricing supplement (the “**Pricing Supplement**”).

Issue Price

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

Form of Notes

The Notes will be issued in bearer form only. Each Tranche of Notes will initially be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “*Summary of the Programme — Selling Restrictions*”), otherwise such Tranche will be represented by a permanent Global Note.

If the Global Notes are stated in the relevant Pricing Supplement to be issued in new global note form they are intended to be eligible collateral for Eurosystem monetary policy and the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Global Notes which are not issued in NGN form may (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer.

Clearing Systems

Euroclear, Clearstream and/or, in relation to any Tranche, such other clearing system (including Euroclear France) as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Initial Delivery of Notes

On or before the issue date for each Tranche, if the Global Note is a NGN, the Global Note will be delivered to a Common Safekeeper for Euroclear and Clearstream. On or before the issue date for each Tranche, if the Global Note is a CGN it shall

be deposited with a Common Depositary for Euroclear and Clearstream or such other clearing system (including Euroclear France) as shall be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers provided that payments under the State Guarantee will only be made in Euro (see “*The State Guarantee*” below and “*Risk Factors – Factors relating to the State Guarantee*” above).

Maturities

Subject to compliance with all relevant laws, regulations and directives, the Notes will have minimum and maximum maturities as specified in the applicable Pricing Supplement and otherwise subject to the maturity limitations specified in the State Guarantee which, at the date of this Information Memorandum, are three (3) months and five (5) years, respectively.

Denomination

Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement save that the minimum denomination shall be (i) €100,000 (or its equivalent in any other currency as at the date of issue of those Notes); and (ii) such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Redenomination

Notes issued in the currency of any member state of the European Union which participates in the third stage of economic and monetary union may be redenominated into Euro, as will be set out in the relevant Pricing Supplement.

Fixed Interest Rate Notes

Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Pricing Supplement.

Floating Rate Notes

Floating Rate Notes will bear interest set separately for each Series by reference to LIBOR or EURIBOR or such other interest rate benchmark as shall be specified in the applicable Pricing Supplement as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement.

Zero Coupon Notes

Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest prior to maturity.

Interest Periods and Interest Rates

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Redemption by Instalments

The Pricing Supplement issued in respect of each issue of

Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Optional Redemption

The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.

Status of Notes

The Notes will constitute unsubordinated and unsecured obligations of the Issuer, all as described in “*Terms and Conditions of the Notes - Status*”.

State Guarantee

The Notes will be unconditionally and irrevocably guaranteed on a first demand basis (*garantie autonome à première demande*) by The Republic of France (the “**State Guarantee**”) pursuant to the provisions, and subject to the criteria of the State Guarantee as they apply to debt securities of 3CIF.

In order for any new Series of Notes issued by 3CIF to benefit from the State Guarantee, such Notes and their issue must comply with the following criteria:

- (i) the Notes must be unsecured and unsubordinated;
- (ii) the Notes must be issued solely by 3CIF at the latest on 30 September 2035 and their maturity date must not extend beyond 31 December 2035;
- (iii) the minimum maturity of the Notes must be three (3) months and the maximum maturity of the Notes must be five (5) years, from the date of issue of the Notes;
- (iv) the relevant issue of Notes must have been issued with the prior approval of The Republic of France; and
- (v) the maximum aggregate amount payable under the State Guarantee from time to time in respect of all unsecured debt securities of 3CIF (including Notes issued by 3CIF under the Programme) (including all amounts comprising principal and interest thereon (including late payments interest, costs, etc.)) will be set out in the State Guarantee and is €16,000,000,000 which includes all amounts guaranteed under the Temporary Guarantee. If applicable, any additional amounts payable in the event of any withholding or deduction on payments on any such Notes pursuant to Condition 7(b) of the Notes or otherwise in relation to any other debt securities of 3CIF benefitting from the State Guarantee will also be included in such maximum aggregate amount payable. Any claims remaining unpaid after the maximum aggregate amount payable under the State Guarantee has been

paid out will no longer benefit from the State Guarantee.

Notes which do not have the foregoing characteristics and/or where the foregoing criteria have not been complied with, will not, and will not be, entitled to, benefit from the State Guarantee.

Any demand for payment by a beneficiary under the State Guarantee must be accompanied by the information and documentation required by article 2.2.1 of, and the Appendix entitled “Form of Demand for Payment” to, the State Guarantee and otherwise in accordance with the State Guarantee.

Payments under the State Guarantee will be made only in Euro.

A demand can be made under the State Guarantee either by:

- (i) the *Banque de France*, if the Issuer has not made a scheduled payment due under the Notes into its account with the *Banque de France* by 11a.m. two Business Days (as defined in the State Guarantee) before the due date for such payment. Once a payment demand is made by the *Banque de France* under the State Guarantee, the Guarantor must immediately make such payment in the manner described in the State Guarantee. The *Banque de France* accepts no liability towards any beneficiary of the State Guarantee or any member of the CIF Group under the State Guarantee; or
- (ii) each holder of Notes, if the Issuer has failed to make a scheduled payment under such Notes, no later than 45 Business Days following the maturity date of the Notes. In such circumstances, a holder of Notes must make such demand in writing in the form annexed to the State Guarantee along with the necessary documentation as further described in the State Guarantee. Once a valid payment demand is made by a holder of Notes under the State Guarantee, the Guarantor must make such payment in the manner described in the State Guarantee within 5 Business Days.

The State Guarantee may be terminated in certain circumstances by The Republic of France in accordance with the terms of the State Guarantee. Such termination of the State Guarantee will not affect any existing issues of Notes that validly benefit from the State Guarantee.

The State Guarantee was notified by The Republic of France to, and approved by, the EU Commission as a form of state aid pursuant to applicable EU law and regulations.

The EU Commission in its press release dated 21 February

2013 announced that it had adopted a decision (the “**First EC Temporary Decision**”), on the same day, approving a French State guarantee on a temporary basis in respect of issues by 3CIF of securities on the capital markets up to a maximum of €7,000,000,000 issued within six months of the date of such decision pursuant to which the French State issued on the same day the Initial Guarantee on a temporary basis guaranteeing such issues. The EU Commission in its press release dated 14 August 2013 announced that it had adopted a further decision (the “**Second EC Temporary Decision**”), on the same day, extending the approval of the Initial Guarantee also on a temporary basis in respect of issues by 3CIF of securities on the capital markets up to a maximum of €8,000,000,000 issued no later than 28 November 2013 pursuant to which the French State accordingly modified the Initial Guarantee and granted the Amended Initial Guarantee on 22 August 2013.

The Initial Amended Guarantee issued following the Second EC Temporary Decision (which replaced the Initial Guarantee issued following the First EC Temporary Decision) is itself expressed as having been granted on a temporary basis.

The EU Commission in its press release dated 27 November 2013 announced that it had adopted under EU State aid rules the EC Final Decision approving the orderly resolution plan relating to the CIF Group and the provision by the French State of up to €28,000,000,000 of State guarantees to fund such orderly resolution plan. This amount is split between €12 billion to cover internal CIF Group exposures and €16 billion for issues of external debt. See “Description of the Issuer - The Financial Crisis and its effects on the CIF Group”. Following this decision and for the purposes of the external debt elements, the French State issued the State Guarantee dated 27 November 2013 guaranteeing up to a maximum of €16,000,000,000 of all amounts comprising principal and interest thereon (including late payments interest, costs, etc.) relating to unsecured debt issues by 3CIF.

See also the section entitled “*Risk Factors – The State Guarantee*” above.

Negative Pledge

There will be no negative pledge or other financial covenants.

Cross Default

There will be no cross-default.

Events of Default

There will be limited events of default relating to failure to pay under the State Guarantee, failure by any party to comply with the terms of the State Guarantee and/or the State Guarantee ceasing to be in full force and effect — see “*Terms and Conditions of the Notes – Events of Default*”.

Early Redemption

Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity

Withholding Tax

only for tax reasons. See “*Terms and Conditions of the Notes – Redemption, Purchase and Options*”.

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

If such a withholding or deduction is required, the Issuer will be required to gross-up its payments to the fullest extent then permitted by law (See Condition 7(a) of the Notes) and subject to certain exceptions. (See Condition 7(b) of the Notes).

All payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of the Notes will be made subject to any withholding or deduction required pursuant to the Foreign Account Tax Compliance Act (“**FATCA**”). There will be no grossing up provision and, accordingly, no early redemption whatsoever in case of any withholding or deduction required pursuant to FATCA. (See Condition 6(c) of the Notes).

Governing Law

The Notes are governed by English law. The State Guarantee is governed by the laws of The Republic of France.

Listing

The Luxembourg Stock Exchange and/or as otherwise specified in the relevant Pricing Supplement. As specified in the relevant Pricing Supplement, a Series of Notes may be unlisted.

Selling Restrictions

The United States, the United Kingdom, France, Belgium, Japan and restrictions of such other jurisdictions as may be required in connection with a particular issue. See “*Subscription and Sale*”.

The Issuer is Category 2 for the purposes of Regulation S.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

Ratings

Unless otherwise specified in the relevant Pricing Supplement, long-term Notes to be issued under the Programme will be rated

Aa2 by Moody's and AA by Fitch Ratings and short-term Notes to be issued under the Programme will be rated P1 by Moody's and F1+ by Fitch Ratings. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned to Notes issued under the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Each of Moody's and Fitch Ratings is established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website as of the date of this Information Memorandum.¹

¹ <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, shall be (i) attached to or incorporated by reference into the Global Note(s) representing each Series together with the relevant provisions of the Pricing Supplement and (ii) applicable to the Notes in definitive form (if any) issued in exchange for such Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (subject to simplification by the deletion of non-applicable provisions) shall be endorsed on such Notes. Words and expressions defined in the Agency Agreement or used in the relevant Pricing Supplement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated provided that, in the event of inconsistency between the Agency Agreement and the relevant Pricing Supplement, the relevant Pricing Supplement will prevail. Those definitions will be endorsed on the definitive Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an Agency Agreement dated 29 November 2017 (as further amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Agency Agreement**”) between Caisse Centrale du Crédit Immobilier de France - 3CIF (the “**Issuer**”), Citibank, N.A., as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “**Deed of Covenant**”) dated 29 November 2017 and executed by the Issuer in relation to the Notes. The fiscal agent, the paying agent(s) and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent and any additional or successor paying agent) and the “**Calculation Agent(s)**”. The Notes will be unconditionally and irrevocably guaranteed on a first demand basis (*garantie autonome à première demande*) by The Republic of France (the “**Guarantor**”) pursuant to a first demand guarantee (*garantie autonome à première demande*) dated 27 November 2013 granted by The Republic of France (as amended, varied or replaced from time to time, the “**State Guarantee**”). The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons (the “**Talons**”) for further Coupons (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement, the Deed of Covenant and the State Guarantee are available for inspection at the specified offices of each of the Paying Agents.

As used herein “**Series**” means a series of Notes either issued on the same date or in more than one Tranche on different dates, that (except in respect of the first payment of interest) have identical terms and are expressed to have the same series number. “**Tranche**” means, in relation to a Series, those Notes of that Series that are issued on the same date.

1 Form, Denomination, Title and Redenomination

(a) Form of Notes, Denomination and Title

The Notes are issued in bearer form in each case in the specified denomination(s) (“**Specified Denomination(s)**”) and in the Specified Currency shown in the Pricing Supplement.

Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes which do not bear interest, in which case references to interest (other than in relation to

interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Note the nominal amount of which is redeemable in instalments is issued with one or more Receipts attached.

In these Conditions, “**Noteholder**” means the bearer of any Note and the Receipts relating to it, “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Note, Receipt, Coupon or Talon and capitalised terms have the meanings given to them in the Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

Capitalised terms which are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement.

(b) Redenomination

- (i) The Issuer may (if so specified in the relevant Pricing Supplement), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 13 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the “**EC**”), as amended from time to time (the “**Treaty**”) or events have occurred which have substantially the same effects (in either case, “**EMU**”), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Pricing Supplement accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “**Redenomination Date**”.
- (ii) The redenomination of the Notes pursuant to Condition 1(b)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 13. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Pricing Supplement to the relevant national currency shall be construed as a reference to Euro.
- (iv) The Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 12, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 12 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes,

Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 13 as soon as practicable thereafter.

- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

2 Status of the Notes

The Notes and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer (subject to statutory exceptions) and shall at all times rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Notes, Receipts and Coupons shall, save for such exceptions as may be provided for by applicable law, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer present and future. For the avoidance of doubt, the Notes and any related Receipts and/or Coupons constitute unsecured senior preferred obligations falling with the category of obligations described in Article L.613-30-3-I-3° of the *French Code monétaire et financier*.

3 The State Guarantee

The Republic of France has unconditionally and irrevocably guaranteed on a first demand basis (*garantie autonome à première demande*) pursuant to the State Guarantee the due payment of all sums expressed to be payable by the Issuer under the Notes. The obligations of The Republic of France in that respect are set out in Clause 1 of the State Guarantee (and any other provisions thereof relating to the rights and obligations described in that Clause). The Noteholders, upon subscription, purchase or acquisition of the Notes, shall be deemed to have accepted the State Guarantee in effect as of the Issue Date.

4 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(f).
- (b) **Interest on Floating Rate Notes:**
 - (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(f) (*Calculations*). Such Interest Payment Date(s) is/are either shown in the Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
 - (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such

date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the Pricing Supplement
- (b) the Designated Maturity is a period specified in the Pricing Supplement and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the Pricing Supplement.

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

(B) Screen Rate Determination for Floating Rate Notes

(a) Where Screen Rate Determination is specified in the Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the Pricing Supplement.

- (b) if the Relevant Screen Page is not available or, if sub-paragraph (a)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (a)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the

Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (d) Where any Reference Rate is specified in the relevant Pricing Supplement as being determined by linear interpolation in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the Reference Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Accrual Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Accrual Period.
- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(d)(i)(B)).
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).
- (e) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
- If any Margin is specified in the Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph;
- If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be;
- For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.
- (f) **Calculations:** The amount of interest payable per Calculation Amount as specified in the Pricing Supplement in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the Pricing Supplement, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount. Where any Interest Period

comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:**

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”); and/ or
- (iii) in the case of a specified currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency in the Business Centre(s) or, if none is specified, generally in each of the Business Centres so specified.

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

- (i) if “**Actual/Actual**” or “**Actual/Actual-ISDA**” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

- (vii) if “**Actual/Actual-ICMA**” is specified in the Pricing Supplement,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

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

“**Determination Date**” means the date(s) specified as such in the Pricing Supplement or, if none is so specified, the Interest Payment Date(s)

“**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.

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

“**Interest Amount**” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the Pricing Supplement.

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

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

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the Pricing Supplement.

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as amended or supplemented as at the Issue Date.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the Pricing Supplement.

“**Redemption Amount**” means the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, as the case may be, of the Note, which in each case, unless otherwise specified in the Pricing Supplement, shall be its nominal amount.

“**Reference Banks**” means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified in the Pricing Supplement.

“**Reference Rate**” means the rate specified as such in the Pricing Supplement.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the Pricing Supplement.

“**Specified Currency**” means the currency specified as such in the Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (i) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the Pricing Supplement and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Redemption for Taxation Reasons

- (i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 7 below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the Pricing Supplement, at any time, subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13, redeem all, but not some only, of the Notes at their Early Redemption Amount

(together with any interest accrued to the date set for redemption) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders or Couponholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 13, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount (together with (unless specified otherwise in the Pricing Supplement) any interest accrued to the date set for redemption) on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

(c) **Purchases**

The Issuer may at any time purchase Notes (provided that in the case of Bearer Notes all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. All Notes so purchased by the Issuer may (i) be held and resold in accordance with Articles L.213-0-1 A and D.213-0-1 of the French Monetary and Financial Code (as amended from time to time) for the purpose of enhancing the liquidity of the Notes or (ii) be cancelled in accordance with Article L.228-74 of the French Commercial Code (as amended from time to time).

(d) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note which does not bear interest prior to the Maturity Date, upon redemption of such Note pursuant to Condition 5(d) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to this Condition 5(d) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as

defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the Pricing Supplement.

- (ii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to this Condition 5(d) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount.

(e) **Redemption at the Option of the Issuer (“Call Option”)**

If so provided in the Pricing Supplement, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer’s Option Period redeem, all or, if so provided, some of the Notes in the nominal amount or integral multiples thereof and on the date or dates so provided.

Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption.

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

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements. Such a redemption will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the discretion of the ICSDs.

(f) **Redemption at the Option of the Noteholders (“Put Option”)**

If so provided in the Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, redeem such Note on the date or dates so provided at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent at its specified office, together with a duly completed option exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent within the Noteholders’ Option Period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) **Cancellation**

All Notes purchased by or on behalf of the Issuer for cancellation will forthwith be cancelled, in the case of Bearer Notes, by surrendering such Notes together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payments and Talons

(a) Notes

Payments of principal and interest in respect of Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(e)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(e)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) Payments in the United States

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

(c) Payments Subject to Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its Agents) and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 7, other than in the case of any withholding or deduction described in item (ii) of this Condition 6(c), 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 “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or other official guidance enacted by any jurisdiction in which the Issuer is organised or in which payments on Notes are made, or any law implementing an intergovernmental approach thereto (or FATCA) and, notwithstanding anything to the contrary in Condition 7, none of the Issuer, any Paying Agent or any other person will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, agreements, official interpretations or official guidance or will be liable for any Additional Amounts (as defined in Condition 7). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Fiscal Agent, the Paying Agent(s), the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agent(s), the Calculation Agent(s), the Redenomination Agent and the Consolidation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, any

Calculation Agent, Redenomination Agent or the Consolidation Agent and to appoint additional or other Paying Agents provided that the Issuer shall at all times maintain (i) a Fiscal Agent and, where applicable, a Redenomination Agent and a Consolidation Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iv) Paying Agent(s) having specified office(s) in at least one major European city and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed.

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

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

(e) Unmatured Coupons and Receipts and Unexchanged Talons

- (i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Notes which comprise Fixed Rate Notes, should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) If the Notes so provide, upon the due date for redemption of any Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Note which provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 8).

(g) **Non-Business Days**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “Financial Centres” in the Pricing Supplement and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

7 **Taxation**

(a) **Withholding taxes**

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

(b) **Additional amounts**

If French law should require that payments of principal, interest and other assimilated revenues in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders, or, if applicable, the Receiptholders and the Couponholders, as the case may be, 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, Receipt or Coupon, as the case may be:

- (i) to, or to a third party on behalf of, a Noteholder, or, if applicable, a Receiptholder or Couponholder, as the case may be, who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon, by reason of his having some connection with The Republic of France other than the mere holding of such Note, Receipt or Coupon; or
- (ii) more than 30 days after the Relevant Date, except to the extent that the Noteholder, or, if applicable, the Receiptholder or the Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 4 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

8 Prescription

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

9 Events of Default

If any of the following events (“**Events of Default**”) occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable unless prior to the time when the Fiscal Agent receives such notice all Events of Default in respect of the Notes shall have been cured:

- (i) default in any payment of principal of, or interest on, any Note including the payment of any additional amounts pursuant to Condition 7 above, when and as the same shall become due and payable, if such default shall not have been cured within 30 days thereafter or the amount of such payment shall not have been fully paid under and in accordance with the State Guarantee on the due date for such payment thereunder and subject to Condition 9(ii) below; or
- (ii) (a) default in any payment under the State Guarantee or the Temporary Guarantee (as defined below) when and as the same shall become due and payable, (b) default by any person in the due performance of any other provision of the State Guarantee or the Temporary Guarantee, if such default shall not have been cured within 45 days after receipt by the Fiscal Agent of written notice of default given by the bearer of any Note, (c) either of the State Guarantee or the Temporary Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect, (d) the State Guarantee or the Temporary Guarantee, or any of the decisions or acts of public authorities (including, but not limited to, European Union institutions) that are necessary for the validity and/or enforceability of the State Guarantee or the Temporary Guarantee, is modified, replaced, repealed, withdrawn, suspended or annulled (x) other than, in the case of the Temporary Guarantee, (i) resulting from the approval of, and the provision of, the State Guarantee or (ii) its termination and cancellation upon payment or redemption of all amounts due under all securities guaranteed under the Temporary Guarantee or (y) unless, in any case, such modification, replacement, repeal, withdrawal, suppression or annulment (i) has been

previously approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders or (ii) could not reasonably be expected to be prejudicial to the interests of, and does not result in any liability being imposed on, such Noteholders.

For the purpose of this Condition 9, “**Temporary Guarantee**” means the initial temporary guarantee granted by the French State on 28 February 2013 up to a maximum amount of €7,000,000,000 of all amounts comprising principal and interest thereon (including late payments interest, costs, etc.) relating to unsecured debt issues by 3CIF at the latest on 31 August 2013, as amended on 22 August 2013 to increase the maximum amount of such guarantee up to €8,000,000,000 and to extend the issue period for debt securities of 3CIF benefitting from such guarantee until 28 November 2013.

10 Meeting of Noteholders and Modifications

(a) Meetings of Noteholders and modification of the Conditions

Meetings of Noteholders: The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown in the Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify or cancel the State Guarantee as it applies to such Notes, or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) **Modification of Agency Agreement**

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

11 Replacement of Notes, Receipts, Coupons and Talons

If a Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and stock exchange regulations, at the specified offices of such Paying Agent as may from time to time be designated by the Issuer for such purpose and notice of whose designation is given to Noteholders in accordance with Condition 13 or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Further Issues and Consolidation

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such Notes to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly. For the purposes of French law, such further notes shall be assimilated (*assimilables*) to the Notes as regards their financial service.

The Issuer may from time to time on any Interest Payment Date occurring on or after the date specified for a Redenomination of the Notes pursuant to Condition 1, on giving not less than 30 days’ prior notice to the Noteholders in accordance with Condition 13, without the consent of the Noteholders or the Couponholders, consolidate the Notes with one or more issues of other notes issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other notes have been redenominated in euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

13 Notices

Notices to the holders of Notes will be valid if published in a daily newspaper having general circulation in Europe (which is expected to be the *Financial Times*) and so long as the Notes are listed on the Luxembourg Stock Exchange, published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a daily newspaper with a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). 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 as provided above.

Couponholders will be deemed for all purposes to have notice of the contents of any notice to the holder of Notes in accordance with this Condition.

14 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

15 Governing Law

(a) Governing Law

The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law.

The State Guarantee is governed by French law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts on the ground that the Proceedings have been brought in an inconvenient forum or otherwise. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

The competent courts within the jurisdiction of the *Cour d’Appel* in Paris have exclusive jurisdiction to settle any disputes relating to the State Guarantee.

(c) Service of Process

The Issuer irrevocably appoints The Law Debenture Trust Corporation p.l.c. whose offices at the date hereof are at 100 Wood Street, London EC2V 7EX, England, as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 13. Nothing shall affect the right to serve process in any other manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes are stated in the relevant Pricing Supplement to be issued in NGN form, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global notes which are issued in CGN form may be delivered on or prior to the original issue date of the Tranche to a Common Depository or to such other clearing system (including Euroclear France) as shall be agreed between the Issuer, the Fiscal Agent and the relevant Dealer (an “**Alternative Clearing System**”).

If the Global Note is a CGN, upon the initial deposit of a Global Note with a Common Depository for Euroclear and Clearstream or with an Alternative Clearing System, Euroclear or Clearstream or such other Alternative Clearing System will credit, or arrange through its participant intermediaries to credit in their accounts with such Alternative Clearing System, as the case may be, each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

If the relevant Pricing Supplement indicates that the Global Note is a NGN, the nominal amount of the Notes represented by such Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream (together, the “**relevant Clearing Systems**”). The records of the relevant Clearing Systems (which expression in this Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customer’s interest in the Notes) shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of the Notes represented by the Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

Notes that are initially deposited with the Common Depository may (if indicated in the relevant Pricing Supplement) also be credited to the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by other clearing systems. Conversely, Notes that are initially deposited with any other Alternative Clearing System may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream or any other Alternative Clearing System as the holder of a Note represented by a Global Note must look solely to Euroclear, Clearstream or any such other Alternative Clearing System (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (see “*Summary of the Programme — Selling Restrictions*”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3 below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream or any other Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so and no alternative clearing system reasonably satisfactory to the Issuer is available within 14 days or
- (ii) if principal in respect of contents any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable at the cost of the Issuer in part on one or more occasions at the option of Noteholders (unless specified otherwise in the relevant Pricing Supplement) for Definitive Notes if principal in respect of any Notes is not paid when due.

4 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or (iii) if the Global Note is a NGN, procure that details of such exchange be entered pro rata in the records of the relevant clearing system. In this Information Memorandum, “**Definitive Notes**” means, in relation to any Global Note, the definitive Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive

Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

5 Exchange Date

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located. In the event that a further Tranche of Notes is issued in respect of any Series of Notes pursuant to Condition 12 which is to be consolidated with one or more previously issued Tranches of such Series prior to the Exchange Date relating to the Temporary Global Note representing the most recently previously issued Tranche of such Series, such Exchange Date may be extended until the Exchange Date with respect to such further Tranche provided that in no event shall such first-mentioned Exchange Date be extended beyond the date which is five calendar days prior to the first Interest Payment Date (if any) falling after such first-mentioned Exchange Date.

Amendment to Conditions

The temporary Global Notes and the permanent Global Notes contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Information Memorandum. The following is a summary of certain of those provisions:

1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN, the Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant clearing system and represented by the Global Note will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “business day” set out in Condition 6(g) (*Non-Business Days*).

2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in “*Terms and Conditions of the Notes — Taxation*”).

3 Meetings

The holder of a permanent Global Note shall (unless such permanent Global Note represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system or Approved Intermediary in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream or the relevant Alternative Clearing System (as the case may be). Where the Global Note is a NGN, the details of such exercise shall be entered pro rata in the records of the relevant clearing system as either a nominal reduction or as a pool factor, at the discretion of the ICSDs.

7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered pro rata in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

8 NGN nominal amount

If the relevant Pricing Supplement indicates that the Global Note is a NGN, details of redemption, payment or purchase and cancellation, as the case may be, shall be entered pro rata in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by such Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid.

9 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in “*Terms and Conditions of the Notes — Events of Default*” by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant (the “**Deed of Covenant**”) executed as a deed by the Issuer on 29 November 2017 to come into effect in relation to the whole or a part of such Global Note in favour of the persons entitled to such part of such Global Note, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note will become void as to the specified portion

10 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

11 Redenomination and Consolidation

A Global Note may be amended or replaced by the Issuer (in such manner as it considers necessary, after consultation with the Redenomination Agent and the Consolidation Agent, as the case may be) for the purposes of taking account of the redenomination and/or consolidation of the Notes in accordance with Conditions 1 and 12. Any consolidation may require a change in the relevant nominee or depositary for the relevant clearing system(s), as the case may be.

12 State Guarantee

For the purposes of the State Guarantee, references to the “holder” in the Terms and Conditions of the Notes includes account holders with Euroclear, Clearstream or any other relevant Clearing System.

13 Electronic consent and Written Resolution

While any Global Note is held on behalf of any nominee for a clearing system, then:

- (a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an “Electronic Consent” as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Electronic Consent; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Note or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately

beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “commercially reasonable evidence” includes any certificate or other document issued by Euroclear, Clearstream or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

THE STATE GUARANTEE

The following are the texts of the French-language State Guarantee and of the convenience English-language translation of the State Guarantee. The French language text is the only binding text and will prevail in the event of any inconsistencies with the English language text:

GARANTIE AUTONOME A PREMIERE DEMANDE (émise en considération des **Titres** Financiers émis par 3CIF)

CONSENTIE PAR :

- (1) **LA RÉPUBLIQUE FRANÇAISE**, représentée par Monsieur Pierre Moscovici, Ministre de l'Economie et des Finances, autorisé à cet effet par l'article 108 de la loi de finances pour 2013 n° 2012-1509 du 29 décembre 2012 (selon le cas, l'"Etat" ou le "**Garant**"),

EN FAVEUR :

- (2) **DE TOUT TITULAIRE** de tout Titre Financier décrit au paragraphe (D) du préambule ci-dessous, pour autant que ce titulaire soit le porteur (*holder*) dudit Titre Financier conformément aux stipulations des Modalités des Titres Financiers (tel que ce terme est défini au paragraphe (D) du préambule ci-dessous) (ledit titulaire étant ci-après désigné un "**Bénéficiaire**").

EN PRESENCE DE :

- (3) **LA BANQUE DE FRANCE**, représentée par Monsieur Robert Ophèle, Sous-gouverneur de la Banque de France, intervenant au présent acte pour les seuls besoins de l'acceptation des termes de l'article 2.2.4.

PREAMBULE :

- (A) Considérant que les circonstances ayant marqué l'année 2012 ont nécessité des mesures exceptionnelles en vue de permettre de résoudre les difficultés du groupe CIF (CIF Développement et les sociétés que CIF Développement contrôle au sens de l'article L. 233-3 du code de commerce étant ci-après désignées, ensemble, le "**Groupe CIF**").
- (B) Qu'en attendant la mise en œuvre de ces mesures, l'Etat et, notamment, CIF Développement, la Caisse Centrale du Crédit Immobilier de France et CIF Euromortgage ont conclu le 28 février 2013 un protocole posant les principes de l'émission, par l'Etat, d'une garantie temporaire d'une durée maximale de six mois et portant, d'une part, sur les expositions intragroupes du Groupe CIF ainsi que, d'autre part, sur les nouvelles émissions de titres financiers de 3CIF et prévoyant certaines contreparties à la charge, notamment, du Groupe CIF (notamment en termes de rémunération), étant précisé que le même jour, une garantie autonome à première demande d'un plafond égal à sept milliards (7.000.000.000) d'euros et portant sur de nouvelles émissions de titres financiers de 3CIF jusqu'au 31 août 2013 (la "**Garantie Initiale**") a été conclue. A la suite de la décision de la Commission européenne en date du 14 août 2013, le Protocole a été modifié par avenant n°1 en date du 22 août 2013 afin de prendre en compte la prorogation de la durée de la Garantie Initiale et de la Garantie des Dépôts (tels que ces termes sont définis ci-après) jusqu'au 28 novembre 2013 inclus, et le renouvellement de la Garantie Initiale au moyen d'un acte de renouvellement de la Garantie Initiale dont le plafond a été porté à huit milliards (8.000.000.000) d'euros

(la “**Garantie Initiale Modifiée**”, la Garantie Initiale et la Garantie Initiale Modifiée étant ci-après désignée la “**Garantie Temporaire**”).

- (C) Qu’à la suite de la décision de la Commission européenne en date du 27 novembre 2013, un nouveau protocole a été conclu le 27 novembre 2013 (le “**Protocole**”) afin de prendre en compte l’autorisation par la Commission européenne de l’émission, par l’Etat, d’une garantie définitive portant, d’une part, sur les expositions intragroupes du Groupe CIF à hauteur d’un encours maximum en principal de douze milliards d’euros (12.000.000.000 €) ainsi que, d’autre part, sur les nouvelles émissions de titres financiers de 3CIF, le montant total des encours en principal des Titres Financiers (tel que ce terme est défini ci-après) bénéficiant de la Garantie Temporaire et de la Garantie ne pouvant excéder à aucun moment seize milliards d’euros (16.000.000.000 €).
- (D) Qu’en application du Protocole et à la suite de la décision de la Commission européenne en date du 27 novembre 2013, l’Etat en qualité de Garant a accepté d’émettre, selon les termes du présent acte, la présente garantie autonome à première demande, dans la limite du Plafond de la Garantie visé à l’Article 1.2 (*Plafond de la Garantie*), en considération des obligations de paiement de toutes sommes (en principal, intérêts, intérêts de retard, frais et accessoires) dues par 3CIF, à leur échéance prévue, au titre de tous titres financiers ayant les caractéristiques suivantes (les “**Titres Financiers**”) :
- (i) titres chirographaires ayant la nature de titres de créance (autres que les titres bénéficiant de la Garantie des Dépôts);
 - (ii) émis par la Caisse Centrale du Crédit Immobilier de France, une société anonyme dont le siège est au 26-28 rue de Madrid, 75008 Paris et immatriculée au registre du commerce et des sociétés de Paris sous le numéro 339 350 712 (selon le cas “**3CIF**” ou l’”**Emetteur**”) ;
 - (iii) ayant une échéance contractuelle à compter de leur date d’émission de trois (3) mois au minimum et de cinq (5) ans au maximum et, en tout état de cause, ne pouvant être postérieure au 31 décembre 2035 ; et
 - (iv) émis, avec l’accord préalable du Garant, à compter du 29 novembre 2013.

Les modalités des Titres Financiers sont désignées ci-après les “**Modalités des Titres Financiers**”.

L’engagement du Garant qui découle de la présente garantie est donc souscrit en considération desdits Titres Financiers (la “**Garantie**”).

- (E) Que la garantie définitive portant sur les expositions intra-groupe du Groupe CIF (la “**Garantie des Dépôts**”) visée au paragraphe (C) ci-dessus fait l’objet d’un acte distinct du présent acte.
- (F) Que la Garantie Temporaire devient caduque et sans effet et est remplacée par la présente Garantie pour tous Titres Financiers émis à compter du 29 novembre 2013 afin de prendre en compte la décision de la Commission européenne en date du 27 novembre 2013 d’autoriser la signature de la Garantie étant précisé, à toutes fins utiles que (i) les Titres Financiers émis avant le 29 novembre 2013 au titre de la Garantie Temporaire seront pris en compte pour les besoins du Plafond de la Garantie stipulé à l’Article 1.2 (*Plafond de la Garantie*) ci-dessous, de telle sorte que l’engagement total du Garant au titre de la Garantie Temporaire et de la Garantie n’excède pas seize milliards (16.000.000.000) d’euros ; et (ii) le remplacement de la Garantie Temporaire par la Garantie ne réduise, limite ou modifie d’aucune manière les droits des Bénéficiaires de la Garantie Temporaire porteurs de Titres Financiers émis jusqu’au 28 novembre 2013, étant précisé que ceux-ci pourront se prévaloir de l’augmentation du Plafond de la Garantie tel que stipulé à l’Article 1.2 (*Plafond de la Garantie*) ci-dessous.

MODALITES DE LA GARANTIE :

1. GARANTIE

1.1 Objet de la garantie

Avec effet à compter du 29 novembre 2013, le Garant s'engage inconditionnellement et irrévocablement à payer à tout Bénéficiaire, à première demande de sa part (ou de la part de la Banque de France, ou encore de la part de tout représentant de la masse ou autre entité habilitée à exercer des sûretés pour le compte des Bénéficiaires conformément au droit applicable et aux documents d'émission), notifiée au moyen d'une Demande de Paiement strictement conforme aux exigences de l'Article 2 (*Appel de la Garantie*), toute somme indiquée dans la Demande de Paiement dans la limite du montant visé à l'Article 1.2 (*Plafond de la Garantie*) (le "**Plafond de la Garantie**").

1.2 Plafond de la Garantie

1.2.1 La Garantie est émise pour un montant maximum égal à seize milliards (16.000.000.000) d'euros.

1.2.2 Ce montant sera automatiquement et irrévocablement réduit par chaque paiement réalisé par le Garant au titre de la présente Garantie ainsi qu'au titre de la Garantie Temporaire.

1.3 Nature juridique de l'obligation du Garant

1.3.1 La présente Garantie constitue une garantie indépendante et autonome au sens de l'article 2321 du Code civil, en conséquence de quoi le Garant s'engage à renoncer à opposer ou faire valoir, dans toute la mesure permise par la loi, à l'encontre des Bénéficiaires, toute exception ou objection de quelque nature que ce soit, et notamment toute exception ou objection que 3CIF pourrait avoir à leur encontre.

1.3.2 De même, toutes les stipulations de la présente Garantie conserveront leur plein effet quelle que soit l'évolution de la situation financière, juridique ou autre de 3CIF ou du Garant. En particulier, la Garantie conservera son plein effet au cas où 3CIF demanderait la nomination d'un mandataire *ad hoc* ou d'un conciliateur (ou ferait l'objet d'une telle demande) ou conclurait un accord amiable avec ses créanciers, ou 3CIF ferait l'objet de l'une des procédures du Livre VI du code de commerce.

2. APPEL DE LA GARANTIE

2.1 Nombre d'appels de la garantie

La présente Garantie peut être appelée par chaque Bénéficiaire (pour ce qui le concerne), par le représentant de la masse (ou autre entité habilitée à exercer des sûretés pour le compte des Bénéficiaires conformément au droit applicable et aux documents d'émission) ou par la Banque de France, en une ou plusieurs fois.

2.2 Notification d'une Demande de Paiement

2.2.1 Chaque appel de la garantie devra être formulé au moyen d'une demande écrite strictement conforme au modèle figurant en Annexe (*Modèle de demande de paiement*), laquelle devra être signée par une personne dûment autorisée par le Bénéficiaire concerné (ou, le cas échéant, par le représentant de la masse (ou autre entité habilitée à exercer des sûretés pour le compte des Bénéficiaires conformément au droit applicable et aux documents d'émission) à cet effet ou par la Banque de France et remise au Garant durant un Jour Ouvré. Dans le cas d'un appel formulé directement par un Bénéficiaire, la demande devra être accompagnée de tout document (y compris un extrait de compte) récent émis par le Teneur de Compte attestant de la propriété des Titres Financiers par le Bénéficiaire concerné.

- 2.2.2 Une demande de paiement qui remplit, en substance et formellement, les exigences prévues au présent Article 2 (*Appel de la Garantie*) (en ce compris le modèle de Demande de Paiement figurant en Annexe) constitue une demande de paiement pour les besoins de la présente Garantie (une “Demande de Paiement”). Une demande de paiement non conforme à ces exigences ne sera pas considérée comme valable. En tout état de cause, la Garantie ne pourra être appelée par un porteur d’un Titre Financier au-delà de quarante-cinq (45) Jours Ouvrés suivant la date d’échéance contractuelle dudit Titre Financier.
- 2.2.3 La Garantie ne pourra être appelée par (ou pour le compte d’) un porteur d’un Titre Financier que pour autant que ce titre ait été émis au plus tard le 30 septembre 2035. En cas de résiliation de la présente Garantie en application de l’Article 4.1.2, ladite résiliation n’affectera pas le droit de tout porteur de tout Titre Financier de notifier (ou faire notifier pour son compte) une Demande de Paiement pour autant que ledit titre ait été émis au plus tard à la date à laquelle cette résiliation prend effet conformément audit article.
- 2.2.4 Pour les besoins de la présente Garantie, le Garant consent à ce que la Banque de France procède, à la demande de 3CIF selon les conditions prévues par le Protocole, à l’appel de la Garantie en notifiant au garant une Demande de Paiement. La Banque de France consent à exercer ce rôle, sous réserve de n’encourir aucune responsabilité de quelque sorte que ce soit à l’égard du Garant, de tout Bénéficiaire ou de toute entité du Groupe CIF à cet égard, ce que les Bénéficiaires sont réputés avoir irrévocablement accepté au titre de leur souscription ou acquisition de tous Titres Financiers bénéficiant de la présente Garantie.
- 2.2.5 Pour les besoins de la présente Garantie, “Jour Ouvré” désigne un jour (autre qu’un samedi ou un dimanche) où les banques sont ouvertes à Paris. Pour les besoins de la détermination du moment de la remise d’une Demande de Paiement, un Jour Ouvré prendra fin à 17h00 et une Demande de Paiement qui sera remise après 17h00 ou un jour autre qu’un Jour Ouvré sera réputée avoir été remise le Jour Ouvré suivant (et la date du paiement devant être effectué par le Garant sera calculée à compter de la date à laquelle la Demande de Paiement sera réputée avoir été remise).

2.3 Forme de la notification

La Demande de Paiement devra être effectuée par lettre recommandée avec demande d’avis de réception ou par remise en main propre, l’adresse et à l’attention des personnes indiquées à l’Article 5.1.3.

3. EXÉCUTION DE LA GARANTIE

3.1 Délai de règlement

Toutes sommes dues au titre de la Garantie seront payables au plus tard:

3.1.1 lorsque la Demande de Paiement est notifiée par la Banque de France, à la Date d’Echéance définie dans la Demande de Paiement visée au II. de l’Annexe ; et

3.1.2 dans tous les autres cas, cinq (5) Jours Ouvrés suivant la réception de la Demande de Paiement, par virement bancaire par l’intermédiaire de tout système de compensation ou de règlement-livraison de titres applicable conformément aux Modalités des Titres Financiers concernées ou, à défaut, au crédit du compte bancaire du Bénéficiaire concerné dont les références IBAN sont indiquées dans la Demande de Paiement.

3.2 Devise de règlement

Tout paiement effectué par le Garant aux termes de la présente Garantie devra être effectué en euros.

4. DUREE DE LA GARANTIE

4.1 Durée de la Garantie ; résiliation

4.1.1 La présente Garantie entrera en vigueur le 29 novembre 2013. La Garantie s'éteindra automatiquement (et aucune Demande de Paiement ne pourra être effectuée pour quelque motif que ce soit) à compter de la date à laquelle le Plafond de la Garantie aura été réduit à zéro.

La date à laquelle la Garantie expire en application du présent Article 4.1.1 est ci-après désignée la "Date d'Expiration".

4.1.2 Nonobstant ce qui précède, l'Etat aura la faculté (mais non l'obligation) de résilier tout ou partie de la Garantie dans chacun des cas suivants (étant toutefois précisé que, dans les cas visés au paragraphe 4.1.2(b) ci-dessous, cette faculté ne pourra être exercée qu'après une mise en demeure adressée par l'Etat à l'entité concernée (avec copie à 3CIF) par lettre recommandée avec accusé de réception restée sans effet après l'expiration d'un délai de huit (8) Jours Ouvrés) :

- (a) Changement de Contrôle de CIF Développement, 3CIF, CIF Euromortgage ou CIF Assets. Pour les besoins du présent paragraphe, "**Changement de Contrôle**" signifie :
 - (i) en ce qui concerne CIF Développement, le fait pour les SACICAP de ne plus détenir ensemble le Contrôle de CIF Développement ;
 - (ii) en ce qui concerne 3CIF, le fait pour CIF Développement de ne plus détenir le Contrôle de 3CIF ;
 - (iii) en ce qui concerne CIF Euromortgage, le fait pour CIF Développement de ne plus détenir le Contrôle de CIF Euromortgage ; et
 - (iv) en ce qui concerne CIF Assets, le fait que les parts B émises par ce dernier ne soient plus intégralement détenues par les entités du Groupe CIF.

"**Contrôle**" ayant le sens qui lui est attribué à l'article L. 233-3 du Code de commerce ;

- (b) tout manquement :
 - (i) de la part de CIF Développement, à l'une quelconque de ses obligations au titre :
 - (1) de l'article 1.5 (*Rémunération de la Garantie et de la Garantie Temporaire des Titres Financiers*) du Protocole ;
 - (2) de l'article 1.7 (*Sûretés*) du Protocole ;
 - (3) des paragraphes (a), (f), (g), (h) et/ou (j) de l'article 2.5 du Protocole ;
 - (4) des articles 21, 22 et/ou 23 des statuts de CIF Développement, tels que modifiés suivant la décision sous condition suspensive de l'assemblée générale des actionnaires de CIF Développement du 6 novembre 2013 ;
 - (5) de l'article 2.6 du Protocole (sauf cas d'urgence dûment justifié); ou
 - (ii) de la part de 3CIF, à l'une quelconque de ses obligations au titre :
 - (1) de l'article 1.5 (*Rémunération de la Garantie et de la Garantie Temporaire des Titres Financiers*) du Protocole ;
 - (2) des paragraphes (d), (f), (g) et/ou (h) de l'article 2.5 du Protocole ;
 - (3) de l'article 2.6 du Protocole (sauf cas d'urgence dûment justifié); ou

- (iii) CIF Euromortgage à l'une quelconque de ses obligations au titre :
- (1) des paragraphes (e), (f), (g) et/ou (h) de l'article 2.5 du Protocole ; ou
 - (2) de l'article 2.6 du Protocole (sauf cas d'urgence dûment justifié),
- étant précisé que, nonobstant toute stipulation contraire, toute opération approuvée par le Comité de Suivi (tel que ce terme est défini à l'article 2.1 du Protocole) ne pourra être constitutive d'un cas de résiliation de la présente Garantie;
- (c) prise d'effet de la résiliation de la Garantie des Dépôts conformément à ses termes.

5. STIPULATIONS FINALES

5.1 Notifications

- 5.1.1 A l'exception de toute Demande de Paiement, toute notification ou communication au titre de la présente Garantie devra être effectuée par écrit, par télécopie (sous réserve que celui-ci soit confirmé aussitôt que possible par lettre recommandée avec demande d'avis de réception), par lettre recommandée avec demande d'avis de réception ou par remise en main propre, que ce soit par porteur ou par un service de courrier rapide.
- 5.1.2 Toute communication faite ou tout document envoyé par une personne à une autre au titre de la Garantie ou concernant celle-ci produira ses effets (i) pour une télécopie, lorsqu'elle aura été reçue sous une forme lisible ; ou (ii) pour une lettre, lorsqu'elle aura été déposée à la bonne adresse ; et (iii) dans le cas où il a été précisé qu'une telle notification devait être reçue par un service ou un responsable identifiés, à condition que la communication soit adressée à ce service ou à ce responsable.
- 5.1.3 Toute notification ou communication au Garant devra être adressée, selon le cas, aux adresses et à l'attention des personnes mentionnées ci-après:

Ministre de l'Economie et des Finances

A l'attention de M. le Directeur Général du Trésor
139 Rue de Bercy
75572 Paris Cedex 12
Courriel : ramon.fernandez@dgtresor.gouv.fr*
Fax : +33 1 53 18 36 15

Avec copie à :

Banque de France

A l'attention de Mme le Directeur des Services Bancaires
CC 29-2300
39 Rue Croix des Petits Champs
75049 Paris Cedex 1
Courriel : src.clientele@banque-france.fr
Fax : +33 1 42 97 75 16

5.2 Impôts et taxes

- 5.2.1 Tout paiement dû par le Garant sera effectué sans aucune retenue à la source ou prélèvement au titre de tout impôt ou taxe de toute nature, imposés, levés ou recouverts par ou pour le compte de la France, ou l'une de ses autorités ayant le pouvoir de lever l'impôt, à moins que cette retenue à la source ou ce prélèvement ne vienne à être exigé par la loi.

5.2.2 Si en vertu de la législation française, les paiements dus par le Garant au titre de la Garantie devaient être soumis à un prélèvement ou à une retenue au titre de tout impôt ou taxe, présent ou futur, le Garant ne procédera à aucune majoration des paiements.

5.3 Modifications et renonciation

Sans préjudice des droits des Bénéficiaires, le Garant pourra modifier unilatéralement les stipulations de la présente Garantie dans la mesure où ces modifications seront nécessaires afin de se conformer aux règles européennes relatives aux aides d'Etat après avoir informé CIF Développement.

5.4 Règles d'interprétation

Pour les besoins de la présente Garantie :

5.4.1 le présent acte comprend ses annexes et forme, avec elles, un tout indivisible ; et

5.4.2 toute référence à un Article s'entend d'une référence à un article du présent acte.

5.5 Publicité

3CIF et CIF Développement sont autorisés à porter à la connaissance de tout Bénéficiaire par tout moyen de leur choix de l'existence et des termes de la présente Garantie.

5.6 Entrée en vigueur

La présente Garantie entrera en vigueur le 29 novembre 2013.

6. DROIT APPLICABLE ET JURIDICTION

6.1 Droit applicable

La présente Garantie est régie par le droit français.

6.2 Tribunaux compétents

Tout litige survenant en relation avec la présente Garantie sera soumis à la juridiction exclusive des tribunaux compétents du ressort de la Cour d'appel de Paris.

Fait à Paris,
en trois (3) exemplaires originaux.

Le présent acte de Garantie a été signé sur la page de signature figurant à la dernière page du document.

* Subject to change from time to time

ANNEXE
MODELE DE DEMANDE DE PAIEMENT

I. – MODELE DE DEMANDE DE PAIEMENT PAR UN BENEFICIAIRE / REPRESENTANT DE LA MASSE

[en tête du Bénéficiaire concerné]

Lettre recommandée avec demande d'avis de réception/Courrier remis en main propre

A : **Ministre de l'Economie et des Finances**
A l'attention de M. le Directeur Général du Trésor
139 Rue de Bercy
75572 Paris Cedex 12
Courriel : ramon.fernandez@dgtresor.gouv.fr*
Fax : +33 1 53 18 36 15

avec copie à **Banque de France**
A l'attention de M. le Gouverneur
31 Rue Croix des petits champs
75001 Paris
Courriel : secretariat.gouv@banque-france.fr

Date : [insérer la date]

Messieurs,

Demande de Paiement au titre de la Garantie Autonome à Première Demande (émise en considération des titres financiers garantis émis par 3CIF) en date du 27 novembre 2013

1. Nous faisons référence à la garantie à première demande en date du 27 novembre 2013 que vous avez émise, en qualité de Garant, en [notre faveur] / [en faveur des Bénéficiaires, porteurs des Titres Financiers désignés ci-dessous et dont nous sommes le représentant de la masse], en considération des Titres Financiers émis par la Caisse Centrale du Crédit Immobilier de France (la "**Garantie des Titres**"). A moins qu'ils ne soient autrement définis dans la présente Demande de Paiement ou que le contexte ne requière qu'il en aille autrement, les termes ou expressions commençant par une majuscule utilisés ci-après ont le sens qui leur est attribué dans la Garantie des Titres.
2. Nous constatons qu'à la date de la présente, 3CIF [ne nous a pas payé] / [n'a pas payé aux Bénéficiaires la somme de [indiquer le montant] euros (le "**Montant Réclamé**"). Le détail du Montant Réclamé ainsi que des Titres Financiers figure ci-dessous :

ISIN	Common Code	Date d'émission	Date d'échéance	Montant impayé (principal)	Montant impayé (intérêts)	Autres montants dus impayés (intérêts de retard, frais, etc.)	Montant total impayé

3. Nous certifions qu'à la date des présentes, le Montant Réclamé est dû et exigible conformément à (aux) l'article(s) **[insérer le(s) numéro(s) de l'article]** des Modalités des Titres Financiers **[en cas de Titres Financiers émis dans le cadre de différents programmes d'émission, préciser ces programmes et leurs modalités]** [et qu'il n'a pas été payé pendant une période de plus de [] Jours Ouvrés après sa date d'exigibilité (après expiration des périodes de grâce applicables et des périodes de règlement amiable prévues par les Modalités des Titres Financiers).]
4. Conformément aux termes de l'Article 2 (*Appel de la Garantie*) de la Garantie des Titres, nous vous demandons, en votre qualité de Garant au titre de la Garantie des Titres, de nous payer le Montant Réclamé.
5. Conformément aux termes de l'Article 3.1.1 de la Garantie des Titres, le Montant Réclamé doit être payé dans le délai de cinq (5) Jours Ouvrés suivant la date de réception de la présente Demande de Paiement.
6. [Le Montant Réclamé devra être payé sur le compte bancaire ayant les références suivantes : **[insérer le numéro IBAN du compte]**, ouvert dans les livres de **[insérer le nom de l'établissement teneur de compte]**.]²
7. [Conformément à l'article 2.2.1 de la Garantie des Titres, vous trouverez ci-joint le(s) document(s) émis par **[insérer le nom du Teneur de Compte concerné]** , notre Teneur de Compte, attestant de notre propriété des Titres Financiers.]³

Nous vous prions d'agréer, Monsieur, l'expression de nos salutations distinguées.

Pour [Insérer le nom du Bénéficiaire]
en qualité de [Bénéficiaire]⁴
Par : **[Insérer le nom du signataire]**
Titre : **[Insérer le titre du signataire]**

* Subject to change from time to time

² Uniquement dans l'hypothèse où les Titres Financiers ne seraient pas admis aux opérations d'un système de compensation ou de règlement-livraison de titres.

³ En cas d'appel de la Garantie des Titres Financiers formulée directement par un Bénéficiaire.

⁴ Le cas échéant, préciser si le signataire agit en qualité de représentant de la masse des obligataires.

II. – MODELE DE DEMANDE DE PAIEMENT PAR LA BANQUE DE FRANCE

[en tête de la Banque de France]

Lettre recommandée avec demande d'avis de réception/Courrier remis en main propre

A : **Ministre de l'Economie et des Finances**
A l'attention de M. le Directeur Général du Trésor
139 Rue de Bercy
75572 Paris Cedex 12
Courriel : ramon.fernandez@dgtresor.gouv.fr*
Fax : +33 1 53 18 36 15

[avec copie à] **Caisse Centrale du Crédit Immobilier de France**
A l'attention de M. [____]
26-28 rue de Madrid
75008 Paris

CIF Développement
A l'attention de M. [____]
26-28 rue de Madrid
75008 Paris]

Date : [insérer la date]

Messieurs,

Demande de Paiement au titre de la Garantie Autonome à Première Demande (émise en considération des titres financiers garantis émis par 3CIF) en date du 27 novembre 2013

1. Nous faisons référence: (i) à la garantie à première demande en date du 27 novembre 2013 que vous avez émise, en qualité de Garant, en considération des Titres Financiers émis par la Caisse Centrale du Crédit Immobilier de France (la “**Garantie des Titres**”) et (ii) au Protocole visé au paragraphe (C) du préambule de la Garantie des Titres. A moins qu'ils ne soient autrement définis dans la présente Demande de Paiement ou que le contexte ne requière qu'il en aille autrement, les termes ou expressions commençant par une majuscule utilisés ci-après ont le sens qui leur est attribué dans la Garantie des Titres.

* Subject to change from time to time

2. Nous constatons que, à 11h00 le deuxième (2^{ème}) Jour Ouvré avant la Date d’Echéance définie ci-dessous, 3CIF n’a pas provisionné sur son compte ouvert auprès de la Banque de France comme l’article 1.2.1 du Protocole l’y oblige, la somme de [indiquer le montant] euros (le “**Montant Réclamé**”) devant être versée le [indiquer la date d’échéance] (la “**Date d’Echéance**”) à [indiquer le/les **Bénéficiaires ou entité habilitée à recevoir les paiements pour le compte des détenteurs de titres conformément aux Modalités des Titres Financiers**]. Le détail du Montant Réclamé ainsi que des Titres Financiers figure ci-dessous :

ISIN	Common Code	Date d’émission	Date d’échéance	Montant impayé (principal)	Montant impayé (intérêts)	Autres montants dus impayés (intérêts de retard, frais, etc.)	Montant total impayé

3. Le Montant Réclamé est relatif aux sommes dues par 3CIF en application de(s) (l’)article(s) [insérer le(s) numéro(s) de (l’)article] des Modalités des Titres Financiers [en cas de Titres Financiers émis dans le cadre de différents programmes d’émission, préciser ces programmes et leurs modalités].
4. Conformément aux termes de l’Article 2 (*Appel de la Garantie*) de la Garantie des Titres, nous vous demandons, en votre qualité de Garant au titre de la Garantie des Titres, de payer le Montant Réclamé [aux personnes indiquées pour recevoir ce montant au paragraphe 9 ci-dessus][*Destinataires du paiement/comptes à confirmer*].
5. Le Montant Réclamé doit être payé à la Date d’Echéance.
6. [Le Montant Réclamé devra être payé sur le compte bancaire ayant les références suivantes : [insérer le numéro IBAN du compte du/des Bénéficiaires ou de l’entité habilitée à recevoir les paiements pour le compte des Bénéficiaires conformément aux Modalités des Titres Financiers], ouvert dans les livres de [insérer le nom de l’établissement teneur de compte du/des Bénéficiaires ou de l’entité habilitée à recevoir les paiements pour le compte des Bénéficiaires conformément aux Modalités des Titres Financiers].]⁵

⁵ Uniquement dans l’hypothèse où les Titres Financiers ne seraient pas admis aux opérations d’un système de compensation ou de règlement-livraison de titres.

Nous vous prions d'agr er, Monsieur, l'expression de nos salutations distingu es.

Pour la Banque de France

Par : *[Ins rer le nom du signataire]*

Titre : *[Ins rer le titre du signataire]*

PAGE DE SIGNATURE
de la présente Garantie Autonome à Première Demande
(émise en considération des Titres Financiers émis par 3CIF)

Le Garant :

Le 27 novembre 2013

Pour la REPUBLIQUE FRANÇAISE

Par : Monsieur Pierre Moscovici

Titre : Ministre de l'Economie et des Finances

(signature précédée de la mention manuscrite: *“bon pour garantie autonome à première demande d'un montant plafond de seize milliards (16.000.000.000) d'euros”*)

En présence de la Banque de France, pour acceptation des termes de l'article 2.2.3.

Le 27 novembre 2013

Pour la BANQUE DE FRANCE

Par : Monsieur Robert Ophèle

Titre : Sous-gouverneur

(signature précédée de la mention manuscrite: *“bon pour acceptation des termes de l'Article 2.2.4 de la présente Garantie”*)

FIRST DEMAND GUARANTEE
(issued in relation to Securities issued by 3CIF)

PROVIDED BY

- (1) **THE FRENCH REPUBLIC**, represented by Mr Pierre Moscovici, Minister for the Economy and Finance, authorised for this purpose under Article 108 of Budget Act for 2013 No. 2012-1510 of 29 December 2012 (hereinafter referred to as the “**State**” or the “**Guarantor**”);

IN FAVOUR OF:

- (2) ANY HOLDER of any Security described in paragraph (D) of the recitals below, provided that such holder holds such Security in accordance with the Conditions of the Securities (as defined in paragraph (D) of the recitals below (such holder being hereinafter referred to as a “**Beneficiary**”).

IN THE PRESENCE OF:

- (3) **LA BANQUE DE FRANCE**, represented by Mr Robert Ophèle, Deputy Governor of *La Banque de France*, acting solely for the purpose of acceptance of the conditions set out in article 2.2.4.

RECITALS:

- (A) Whereas the circumstances which have marked 2012 required exceptional measures in order to provide a solution to the difficulties of the CIF group (CIF Développement and the companies which CIF Développement controls within the meaning of article L. 233–3 I of the French Commercial Code hereinafter jointly referred to as the “**CIF Group**”).
- (B) Whereas, pending the implementation of such measures, the State, and in particular, CIF Développement, the Caisse Centrale du Crédit Immobilier de France and CIF Euromortgage entered into a protocol on 28 February 2013 setting out the principles for the issuance by the State of a temporary guarantee for a maximum period of six months, relating to, on the one hand, CIF Group intragroup exposures, and, on the other hand, the new securities issued by 3CIF and providing in return for certain obligations to be borne, *inter alia*, by the CIF Group (in particular with regard to remuneration), it being understood that on the same day, an autonomous first demand guarantee with a cap of seven billion (7.000.000.000) euros relating to issues of new securities by 3CIF until 31 August 2013 (the “**Initial Guarantee**”) has been entered into. Following the decision of the European Commission dated 14 August 2013, the Protocol has been amended by amendment No 1 dated 22 August 2013 in order to take into account the extension of the duration of the Initial Guarantee and the Deposits Guarantee (as those terms are defined below) up to 28 November 2013 inclusive, and the renewal of the Initial Guarantee by means of an instrument of renewal of the Initial Guarantee with the cap being increased up to eight billion (8,000,000,000) euros (the “**Amended Initial Guarantee**”, the Initial Guarantee and the Amended Initial Guarantee are hereinafter referred as the “**Temporary Guarantee**”).
- (C) Whereas, following the decision of the European Commission dated 27 November 2013, a new protocol has been signed on 27 November 2013 (the “**Protocol**”) in order to take into account the authorisation by the European Commission given to the State to issue a definitive guarantee, covering, on the one hand, the intragroup exposures of the CIF Group amounting to an outstanding maximum principal amount of twelve billion (12,000,000,000) euros, and on the other hand, the issues of new securities by 3CIF, which outstanding maximum principal amount of such Securities (as defined below) benefiting from the Temporary Guarantee and the Guarantee may not at any time exceed sixteen billion (16,000,000,000) euros.
- (D) Whereas, in application of the Protocol, and following the decision of the European Commission dated 27 November 2013, the State, in its capacity as Guarantor, has agreed to issue, under the terms and

conditions of this agreement, this first demand guarantee (*garantie autonome à première demande*), within the limit of the Guarantee Cap specified in Article 1.2 (*Guarantee Cap*), in relation to the obligations for payment on their due date of all sums (in principal, interest, late interest, expenses and all accessory costs relating thereto) owed by 3CIF at their scheduled maturity date in respect of all securities with the following characteristics (the “**Securities**”):

- (i) unsecured and unsubordinated debt instruments (others than securities benefitting from the Deposits Guarantee);
- (ii) issued by the Caisse Centrale du Crédit Immobilier de France, a *société anonyme* whose registered office is located at 26-28 rue de Madrid, 75008 Paris, registered in the Trade and Companies Register of Paris under No. 339 350 712 (“**3CIF**” or the “**Issuer**”);
- (iii) with a contractual maturity of at least three (3) months and maximum maturity of five (5) years from their date of issue, and in any event, maturing no later than 31 December 2035; and
- (iv) issued, with the Guarantor’s prior approval, from 29 November 2013.

The terms and conditions of the Securities are hereinafter referred to as the “**Conditions of the Securities**”.

The Guarantor’s commitment under this guarantee is accordingly undertaken in relation to such Securities (the “**Guarantee**”).

- (E) Whereas, the definitive guarantee relating to CIF Group intra-group exposures (the “**Deposits Guarantee**”) specified in Recital (C) above is subject to a separate agreement.
- (F) Whereas, the Temporary Guarantee becomes null and void and is superseded by this Guarantee for all Securities issued from 29 November 2013 in order to take into account the decision of the European Commission dated 27 November 2013 authorising the signature of the Guarantee, it being specified, for the avoidance of doubt, that (i) the Securities issued before 29 November 2013 under the Temporary Guarantee shall be taken into account for the purposes of the Guarantee Cap specified in Article 1.2 (*Guarantee Cap*) below, so that the total commitment of the Guarantor under both the Temporary Guarantee and the Guarantee does not exceed sixteen billion (16,000,000,000) euros; and (ii) the replacement of the Temporary Guarantee by this Guarantee shall not reduce, limit or modify the rights of the Beneficiaries of the Temporary Guarantee being holders of Securities issued until 28 November 2013, provided that they can rely on the increased Guarantee Cap as specified in Article 1.2 (*Guarantee Cap*) below.

CONDITIONS OF THE GUARANTEE:

1. GUARANTEE

1.1 Purpose of the Guarantee

With effect from 29 November 2013, the Guarantor unconditionally and irrevocably agrees to pay any Beneficiary, on first demand by such Beneficiary (or by the Banque de France or by any representative of the holders of the masse or any other entity authorised to enforce security interests on behalf of the Beneficiaries pursuant to applicable law and the issue documents), notified by means of a Demand for Payment strictly in accordance with the requirements of Article 2 (*Call of the Guarantee*), any sum stated in the Demand for Payment within the limit of the amount specified in Article 1.2 (*Guarantee Cap*) (the “**Guarantee Cap**”).

1.2 Guarantee Cap

1.2.1 The Guarantee is issued in an aggregate maximum amount of sixteen billion (16,000,000,000) euros.

1.2.2 This amount shall be automatically and irrevocably reduced by each payment made by the Guarantor under this Guarantee, as well as under the Temporary Guarantee.

1.3 Legal nature of Guarantor's obligation

1.3.1 This Guarantee is an independent and autonomous guarantee within the meaning of article 2321 of the French Civil Code and accordingly, the Guarantor agrees not to raise or claim against the Beneficiaries, to the extent permitted by law, any exception or objection of any kind whatsoever and in particular any exception or objection which 3CIF could raise against such Beneficiaries.

1.3.2 All provisions of this Guarantee shall remain fully in effect regardless of any changes in the financial, legal situation or other situation of 3CIF or the Guarantor. The Guarantee shall in particular remain fully in effect for the benefit of the Beneficiaries in the event that 3CIF applies for the appointment of an *ad hoc* administrator (*mandataire ad hoc*) or conciliator (*conciliateur*) (or is the subject of such an application), enters into an amicable settlement (*accord amiable*) with its creditors or becomes subject to one of the procedures listed in Book VI of the French Commercial Code.

2. CALL OF THE GUARANTEE

2.1 Number of calls of the Guarantee

2.1.1 This Guarantee may be called by each Beneficiary (for its own account), by the representative of the masse of the holders (or any other entity authorised to enforce security interests on behalf of the Beneficiaries pursuant to applicable law and the issue documents) or by the Banque de France, on one or more occasion.

2.2 Notification of a Demand for Payment

2.2.1 Each call of the Guarantee must be submitted by means of a written request that is strictly in compliance with the standard form in the Appendix (*Form of Demand for Payment*), which shall be signed by a person duly authorised by the relevant Beneficiary (or, as the case may be, by the representative of the masse of the holders (or any other entity authorised to enforce security interests on behalf of the Beneficiaries pursuant to the applicable law and the issue documents) for this purpose or by the Banque de France and shall be delivered to the Guarantor during a Business Day. In case of any direct call by a Beneficiary, the request must be accompanied, by all recent documents (including, if applicable, a statement of account) issued by the Account Holder certifying that the Securities are owned by the relevant Beneficiary.

2.2.2 A Demand for Payment which, in substance and form, satisfies the requirements specified in this Article 2 (*Call of the Guarantee*) (including the form of Demand for Payment in the Appendix) constitutes a demand for payment for the purpose of this Guarantee (a "**Demand for Payment**"). A demand for payment which does not comply with these requirements shall not be considered valid. In any event, the Guarantee may not be called by a holder of a Security more than forty-five (45) Business Days after the contractual maturity date of the relevant Security.

2.2.3 The Guarantee may only be called by (or for a benefit of) a holder of a Security which has been issued no later than 30 September 2035. In case of a termination of this Guarantee pursuant to Article 4.1.2, such termination shall not affect the right of a holder of any Security to notify (or have it notified in his behalf), a Demand for Payment

provided that such security has been issued no later than the date on which the termination takes effect, pursuant to the above mentioned article.

2.2.4 For the purpose of this Guarantee, the Guarantor agrees that the *Banque de France* may call, at the request of 3CIF pursuant to the conditions provided in the Protocol, the Guarantee upon notification to the Guarantor of a Demand for Payment. The *Banque de France* agrees to exercise such role, provided that it does not incur any liability of any kind whatsoever towards the Guarantor, any Beneficiary or any entity of the CIF Group in this regard, to which such Beneficiaries are deemed to have irrevocably agreed as a result of their subscription or acquisition of any Securities benefiting from this Guarantee.

2.2.5 For the purpose of this Guarantee, “Business Day” means a day (other than Saturday or Sunday) on which banks are open for business in Paris. For the purpose of determining the time of delivery of a Demand for Payment, a Business Day shall end at 5 p.m. and a Demand for Payment delivered after 5 p.m. or on a day which is not a Business Day shall be deemed to have been delivered on the following Business Day (and the date of the payment to be made by the Guarantor shall be calculated as from the date on which the Demand for Payment is so deemed to have been delivered).

2.3 **Form of Notification**

A Demand for Payment shall be made by recorded delivery with return receipt requested or by hand delivery, to the address and for the attention of the persons mentioned in Article 5.1.3.

3. **PERFORMANCE OF THE GUARANTEE**

3.1 **Payment time**

All sums due under the Guarantee shall be payable no later than:

3.1.1. when the Demand for Payment is notified by the *Banque de France*, the Due Date specified in the Demand for Payment referred to in section II. of the Appendix; and

3.1.2 in all other cases, five (5) Business Days after receipt of the Demand for Payment,

by bank transfer through any relevant securities clearing or settlement system in accordance with the Conditions of the relevant Securities, or, failing this, by crediting the bank account of the relevant Beneficiary whose IBAN references are indicated in the Demand for Payment.

3.2 **Payment currency**

Any payment made by the Guarantor under this Guarantee shall be made in euros.

4. **DURATION OF THE GUARANTEE**

4.1 **Duration of Guarantee; Termination**

4.1.1 This Guarantee shall take effect on the 29 November 2013. The Guarantee shall expire automatically (and no Demand for Payment may be presented for any reason whatsoever) as from the date on which the Guarantee Cap is reduced to zero.

The date on which the Guarantee expires in accordance with Article 4.1.1 is hereinafter referred to as the “**Expiry Date**”.

4.1.2 Notwithstanding the foregoing, the State shall have the right (but not the obligation) to terminate all or part of the Guarantee in any of the following cases (it being specified, however, that in the cases referred to in paragraph 4.1.2 (b) below, this option may only

be exercised if a notice to perform sent by recorded delivery with return receipt to the relevant entity (with a copy to 3CIF) is not completed within eight (8) Business Days):

- (a) Change of Control of CIF Développement, 3CIF, CIF Euromortgage or CIF Assets. For the purpose of this paragraph, “**Change of Control**” means:
 - (i) as regards CIF Développement, the fact that the SACICAP no longer jointly Control CIF Développement;
 - (ii) as regards 3CIF, the fact that CIF Développement no longer Controls 3CIF;
 - (iii) as regards CIF Euromortgage, the fact that CIF Développement no longer Controls CIF Euromortgage; and
 - (iv) as regards CIF Assets, the fact that the B shares issued by it are no longer wholly owned by entities of the CIF Group.

For this purpose, “**Control**” has the meaning given to it in Article L. 233–3 of the French Commercial Code;

- (b) any failure:
 - (i) by CIF Développement to perform any of its obligations under:
 - (1) article 1.5 (*Remuneration of the Guarantee and of the Temporary Guarantee of the Securities*) of the Protocol;
 - (2) article 1.7 (*Securities*) of the Protocol;
 - (3) paragraphs (a), (f), (g), (h) and/or (j) of article 2.5 of the Protocol;
 - (4) articles 21, 22 and/or 23 of the *statuts* of CIF Développement, as modified following the decision dated 6 November 2013, subject to the condition precedent of the general meeting of the shareholders of CIF Développement;
 - (5) article 2.6 of the Protocol (except in case of a duly justified emergency); or
 - (ii) by 3CIF to perform any of its obligations under:
 - (1) article 1.5 (*Remuneration of the Guarantee and of the Temporary Guarantee of the Securities*) of the Protocol;
 - (2) paragraphs (d), (f), (g) and/or (h) of article 2.5 of the Protocol;
 - (3) article 2.6 of the Protocol (except in case of a duly justified emergency); or
 - (iii) by CIF Euromortgage to perform any of its obligation under:
 - (1) paragraphs (e), (f), (g), and/or (h) of article 2.5 of the Protocol; or
 - (2) article 2.6 of the Protocol (except in case of emergency duly justified),

provided that, notwithstanding any provision to the contrary, any transaction approved by the Monitoring Committee (*Comité de Suivi*) (as such term is defined in article 2.1 of the Protocol) cannot constitute grounds for termination of this Guarantee;

(c) the taking effect of the termination of the Deposits Guarantee according to its terms.

5. FINAL PROVISIONS

5.1 Notifications

- 5.1.1 Except for any Demand for Payment, any notice or communication relating to this Guarantee shall be made in writing, by fax (provided the fax is confirmed as soon as possible by recorded delivery with return receipt requested), by recorded delivery with return receipt requested or by hand delivery, whether delivered by a courier or by an express courier service.
- 5.1.2 Any communication made or any document sent by any party to another under the Guarantee or in connection with the Guarantee shall take effect (i) in the case of a fax, when received in legible form; or (ii) in the case of a recorded delivery when delivered at the correct address and (iii) when it has been specified that the notification must be received by a specified responsible person or department, provided the communication has been sent to such person or department.
- 5.1.3 Any notification or communication to the Guarantor shall be sent, as the case may be, to the address and for the attention of the person identified below:

Minister for the Economy and Finance

Attn General Treasury Director

139 Rue of Bercy

75572 Paris Cedex 12

Email: ramon.fernandez@dgtresor.gouv.fr*

Fax: +33 1 53 18 36 15

With a copy to:

Banque de France

Attn Mrs the Director of Banking Services

CC 29-2300

39 Rue Croix des Petits Champs

75049 Paris Cedex 1

Email: src.clientele@banque-france.fr Fax: +33 1 42 97 75 16

5.2 Taxes and duties

- 5.2.1 Any payment owed by the Guarantor shall be made without any withholding tax or tax or duty of any kind raised, levied or collected by or on behalf of France or any of its authorities with the power to raise taxes, unless the withholding or other tax is required by law.
- 5.2.2 If, pursuant to French law, any payments owed by the Guarantor under the Guarantee were to be subject to a withholding or other tax or duty of any kind, the Guarantor shall not make any additional payments in respect thereof.

5.3 Modification and waiver

Without prejudice to any rights of the Beneficiaries, the Guarantor may unilaterally amend the terms of this Guarantee to the extent that these changes are necessary to comply with European rules relating to State aid after notifying CIF Développement thereof.

5.4 **Interpretation rules**

For the purpose of this Guarantee:

5.4.1 this agreement includes the Appendices which together constitute a non-severable whole, and

5.4.2 any reference to an Article is a reference to an article in this agreement.

5.5 **Disclosure**

3CIF and CIF Développement are authorised to inform any Beneficiary by any means at its discretion of the existence and terms of this Guarantee.

5.6 **Entry into force**

This Guarantee shall enter into force on 29 November 2013.

6. **GOVERNING LAW AND JURISDICTION**

6.1 **Governing law**

This Guarantee shall be governed by French law.

6.2 **Jurisdiction**

Any dispute with regard to this Guarantee shall be subject to the exclusive jurisdiction of the competent courts within the jurisdiction of the Court of Appeal (*Court d'appel*) of Paris.

Made in Paris,
in three (3) original counterparts.

This Guarantee was signed on the signature page appearing on the last page of the document.

* Subject to change from time to time

APPENDIX
FORM OF DEMAND FOR PAYMENT

I. – FORM OF DEMAND FOR PAYMENT BY A BENEFICIARY/
REPRESENTATIVE OF THE MASSE

[*letterhead of the relevant Beneficiary*]

Recorded delivery letter with return receipt requested/ hand delivered letter

To: **Minister for the Economy and Finance**
Attn General Treasury Director
139 rue de Bercy
75572 Paris Cedex 12
Email: ramon.fernandez@dgtresor.gouv.fr*
Fax: +33 1 53 18 36 15

cc: **Banque de France**
Attn The Governor
31 rue Croix des Petits Champs
75001 Paris
Email: secretariat.gouv@banque-france.fr

Date:[*insert date*]

Dear Sirs,

Demand for Payment under the Autonomous First Demand Guarantee (granted in relation to securities issued by 3CIF) dated 27 November 2013

1. We refer to the first demand guarantee dated 27 November 2013 granted by you, in your capacity as Guarantor, in [our favour]/[in favour of the Beneficiaries, holders of the Securities referred to below and for which we are the representative of the Masse], in relation to the Securities issued by Caisse Centrale du Crédit Immobilier de France (the “**Guarantee of the Securities**”). Unless otherwise defined in this Demand for Payment or unless the context otherwise requires, capitalised terms and expressions used below have the meaning assigned to them in the Guarantee of the Securities.
2. We note that, as of the date hereof, 3CIF [has not paid us]/[has not paid to the Beneficiaries the sum of [*indicate the amount*] euros (the “**Amount Claimed**”). The Amount Claimed and the Securities are specified below:

ISIN	Common Code	Issue date	Maturity date	Amount unpaid (principal)	Amount unpaid (interest)	Other amounts unpaid (late-payment, interest, costs, etc.)	Total amount unpaid

3. We certify that, as of the date hereof, the Amount Claimed is due and payable in accordance with article(s) [*insert the number[s] of the article(s)*] of the Conditions of the Securities [*in the case of Securities issued under different issuance programmes, specify these programmes and their conditions*] [and has not been paid for more than [] Business Days after the due date for payment (after expiry of any applicable grace periods and amicable settlement periods provided in the Conditions of the Securities).]

In accordance with Article 2(*Call of the Guarantee*) of the Guarantee of the Securities, we herewith request you, in your capacity as Guarantor under the Guarantee, to pay us the Amount Claimed.

5. In accordance with Article 3.1.1 of the Guarantee of the Securities, the Amount Claimed must be paid within five (5) Business Days from the date of receipt of this Demand for Payment.
6. [The Amount Claimed must be paid into the bank account with the following reference: [*insert the IBAN of the account*] opened on the books of [*insert the name of the account holder*].]¹
7. [In accordance with Article 2.2.1 of the Guarantee of the Securities, we attach the document(s) issued by [*insert the name of the relevant Account Holder*], our Account Holder, certifying our ownership of the Securities.]²

Yours faithfully,

For [*Insert Beneficiary's name*]

in its capacity as [Beneficiary]³

By: [*Insert signatory's name*]

Title: [*Insert signatory's function*]

* Subject to change from time to time

¹ Only if the Securities have not been admitted to a securities clearing or settlement system.

² In the case of a direct call by a Beneficiary of the Guarantee.

³ If applicable, specify whether the signatory acts as representative of the masse of the holders.

II. – FORM OF DEMAND FOR PAYMENT BY THE *BANQUE DE FRANCE*

[*letterhead of the Banque de France*]

Recorded delivery with return receipt requested/Letter, hand delivered

To: **Minister for the Economy and Finance**
Attn General Treasury Director
139 rue de Bercy
75572 Paris Cedex 12
Email: ramon.fernandez@dgtresor.gouv.fr*
Fax: +33 1 53 18 36 15

cc: **Caisse Centrale du Crédit Immobilier de France**
Attn Mr []
26-28 rue de Madrid
75008 Paris

CIF Développement
Attn Mr []
26-28 rue de Madrid
75008 Paris

Date:[*insert date*]

Dear Sirs,

Demand for Payment under Autonomous First Demand Guarantee (granted in relation to the securities issued by 3CIF) dated 27 November 2013

1. We refer to: (i) the first demand guarantee dated 27 November 2013 granted by you, in your capacity as Guarantor, in relation to the Securities issued by Caisse Centrale du Crédit Immobilier de France (the “**Guarantee of the Securities**”) and (ii) the Protocol referred to in paragraph (C) of the recitals of the Guarantee of the Securities. Unless otherwise defined in this Demand for Payment or unless the context otherwise requires, capitalised terms and expressions used below have the meaning assigned to them in the Guarantee.
2. We note that, at 11 a.m. on the second (2nd) Business Day before the Maturity Date defined below, 3CIF has not credited its account opened with the *Banque de France* as required by article 1.2.1 of the Protocol, the sum of [*indicate the amount*] euros (the “**Amount Claimed**”) to be paid on [*indicate the maturity date*] (the “**Maturity Date**”) to [*indicate the Beneficiary/ies or entity authorised to receive the payments on behalf of the securities holders under the Conditions of the Securities*]. The Amount Claimed and the Securities are specified below:

ISIN	Common Code	Issue date	Maturity date	Amount unpaid (principal)	Amount unpaid (interest)	Other amounts unpaid (late-payment interest, costs, etc.)	Total amount unpaid

3. The Amount Claimed relates to the sums owed by 3CIF in application of article(s) *[insert the number(s) of Article[s]]* of the Conditions of the Securities *[in the case of Securities issued under different issuance programmes, specify these programmes and their conditions]*.
4. In accordance with Article 2 (*Call of the Guarantee*) of the Guarantee of the Securities, we hereby request you, in your capacity as Guarantor under the Guarantee of the Securities, to pay the Amount Claimed [to the persons designated in paragraph 9 above to receive this amount][*Recipients of the payment/accounts to be confirmed*].
5. The Amount Claimed must be paid on the Maturity Date.
6. [The Amount Claimed must be paid into the bank account with the following reference: *[insert the IBAN of the account of the Beneficiary/ies or the entity authorised to receive the payments for the Beneficiaries in accordance with the Conditions of the Securities]*, opened in the books of *[insert the name of the account holder of the Beneficiary/ies or of the entity authorised to receive the payments for the Beneficiaries in accordance with the Conditions of the Securities]*.]¹

Yours sincerely,

For the *Banque de France*

By: *[Insert signatory's name]*

Title: *[Insert signatory's function]*

* Subject to change from time to time

¹ Only if the Securities have not been admitted to a securities clearing or settlement system.

**SIGNATURE PAGE
of this Autonomous First Demand Guarantee
(granted in relation to the Securities issued by 3CIF)**

The Guarantor:

On 27 November 2013

For the FRENCH REPUBLIC
By: Mr Pierre Moscovici
Title: Minister for the Economy and Finances

(signature preceded by the handwritten statement: “*valid for autonomous first demand guarantee with a maximum limit of sixteen billion euros (€16,000,000,000)*”)

In the presence of the *Banque de France*, for acceptance of the terms of article 2.2.3.

On 27 November 2013

For the BANQUE DE FRANCE
By: Mr Robert Ophèle
Title: Deputy Governor

(signature preceded by the handwritten statement: “*valid for acceptance of the terms of article 2.2.4 of this Guarantee*”)

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Notes will be applied by the Issuer for its general banking activities unless otherwise specified in the relevant Pricing Supplement.

FORM OF PRICING SUPPLEMENT

Pricing Supplement dated [●]

Caisse Centrale du Crédit Immobilier de France - 3CIF
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the Euro 12,000,000,000 Debt Issuance Programme
unconditionally and irrevocably guaranteed by The Republic of France

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 29 November 2017 [and the supplement[s] to the Information Memorandum dated [●]]. This document constitutes the Pricing Supplement of the Notes and must be read in conjunction with such Information Memorandum [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Information Memorandum [as so supplemented]. The Information Memorandum [and the supplement[s] to the Information Memorandum] [is] [are] available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].

The following alternative language applies if the first tranche of an issue which is being increased was issued under an Information Memorandum with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes which are the [2013/2014/2016] EMTN Conditions (the “**Conditions**”) which are incorporated by reference in the Information Memorandum dated 29 November 2017. This document constitutes the Pricing Supplement of the Notes and must be read in conjunction with such Information Memorandum dated 29 November 2017 [and the supplement[s] to such Information Memorandum], and the [2013/2014/2016] EMTN Conditions. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement, such Information Memorandum [and the supplement[s] to such Information Memorandum]. The Information Memorandum [and the supplement[s] to the Information Memorandum] [are] available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].

1	Issuer	Caisse Central du Crédit Immobilier de France – 3CIF
2	[(i)] Series Number:	[●]
	[(ii)] Tranche Number:	[●]
	[(iii)] Date on which the Notes become fungible:	[The Notes will be consolidated (“assimilables” for French law purposes) and form a single Series with the existing [identify earlier Tranches] issued by the Issuer on [insert date / the Issue Date / exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below [which is expected to occur on or about [insert date].]/[Not Applicable]

3	Specified Currency or Currencies:	[●]
4	Aggregate Nominal Amount of Notes:	[●]
	[(i)] Series:	[●]
	[(ii)] Tranche:	[●]
5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus an amount corresponding to accrued interest from <i>[insert date]</i> (if applicable)]
6	(i) Specified Denominations:	[●] ^{1,2}
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date	[Specify/Issue Date/Not Applicable]
8	Maturity Date: ³	[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to <i>the relevant month and year</i>]
9	Interest Basis:	[[●] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate] [Fixed to Floating Rate] [Zero Coupon] [Other (specify)] (further particulars specified below)
10	Redemption/Payment Basis:	[Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount.]/[Other (specify)]
11	Change of Interest or Redemption/Payment Basis:	[For the period from (and including) the Interest Commencement Date, up to (but excluding) [date] paragraph [14]/[15] applies and for the period from (and including) [date], up to (and including) the [Final] Maturity Date, paragraph [14]/[15] applies.]/[Not Applicable]
12	Put/Call Options:	[Investor Put] [Issuer Call] [(further particulars specified below)]
13	(i) Status of the Notes	Senior, Unsubordinated

¹ Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

² If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]”.

³ The minimum (currently 3 months) and maximum (currently 5 years) maturities of the Notes benefitting from the State Guarantee are set out in the State Guarantee.

- (ii) [Date [Board] approval for issuance of Notes obtained⁴: [●]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [Actual / Actual
Actual / Actual-ISDA
Actual / 365 (Fixed)
Actual / 360
30 / 360
360 / 360
Bond Basis
30E / 360
Eurobond Basis 30
30E / 360 (ISDA)
Actual / Actual-ICMA]
- (vi) [Determination Dates: [●] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*]
- 15 **Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●] in each year subject to adjustment in accordance with the Business Day Convention set out in (v) below
- (iii) First Interest Payment Date [●]
- (iv) Interest Period Date: [●]
(Not applicable unless different from Interest Payment Date)
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business

⁴ Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes.

	Day Convention/Preceding Business Day Convention]
(vi) Business Centre(s):	[●]
(vii) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[●]
(ix) Screen Rate Determination:	
– Reference Rate:	[●]
– Linear Interpolation:	[Applicable/Not Applicable] [If applicable and the Rate of Interest is determined by linear interpolation in respect of an interest accrual period (as per Condition 5(c), insert the relevant interest accrual period(s) and the relevant two rates used for such determination)]
– Interest Determination Date(s):	[●]
– Relevant Screen Page:	[●]
(x) ISDA Determination:	
– Floating Rate Option:	[●]
– Designated Maturity:	[●]
– Reset Date:	[●]
(xi) Margin(s):	[+/-][●] per cent. per annum
(xii) Minimum Rate of Interest:	[●] per cent. per annum
(xiii) Maximum Rate of Interest:	[●] per cent. per annum
(xiv) Day Count Fraction:	[Actual / Actual Actual / Actual-ISDA Actual / 365 (Fixed) Actual / 360 30 / 360 360 / 360 Bond Basis 30E / 360 Eurobond Basis 30 30E / 360 (ISDA) Actual / Actual-ICMA]

16 Zero Coupon Note Provisions

[Applicable/Not Applicable]

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

(i) Amortisation Yield:	[●] per cent. per annum
(ii) Day Count Fraction in relation to Early Redemption Amounts:	[Actual / Actual Actual / Actual-ISDA Actual / 365 (Fixed)]

Actual / 360
 30 / 360
 360 / 360
 Bond Basis
 30E / 360
 Eurobond Basis 30
 30E / 360 (ISDA)
 Actual / Actual-ICMA]

PROVISIONS RELATING TO REDEMPTION

- 17 **Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [●] per Calculation Amount
 - (b) Maximum Redemption Amount: [●] per Calculation Amount
 - (iv) Issuer’s Option Period [●]⁵
- 18 **Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
 - (iii) Noteholder’s Option Period [●]⁶
- 19 **Final Redemption Amount of each Note** [●] per Calculation Amount
- 20 **Early Redemption Amount** [●] per Calculation Amount
 Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 21 Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
 [Temporary Global Note exchangeable for Definitive Notes on [●] days’ notice]

⁵As long as the Notes are held in global form, the Issuer’s Option Period must be a minimum of five (in the case of Euroclear and Clearstream) Clearing System Business Days.

⁶As long as the Notes are held in global form the Noteholder’s Option Period must be a minimum of five (in the case of Euroclear and Clearstream) Clearing System Business Days.

- | | | |
|----|---|---|
| | | [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] |
| 22 | New Global Note: | [Yes/No] |
| 23 | Financial Centre(s) or other special provisions relating to payment dates: | [Not Applicable/give details].
<i>(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 15(vi) relates)</i> |
| 24 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No] |
| 25 | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | [Not Applicable/give details] |
| 26 | Redenomination, renominatisation and reconventioning provisions: | [Not Applicable/The provisions [in Condition 1] apply] |
| 27 | Other final terms | [Not Applicable/ give details] |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Caisse Central du Crédit Immobilier de France – 3CIF:

By:
Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading⁷: [Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of [the Luxembourg Stock Exchange and admitted to trading on [the Luxembourg Stock Exchange] [specify relevant regulated market] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market] with effect from [●].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [●]

2 RATINGS

- Ratings⁸: [Not Applicable – The Notes to be issued have not been rated]
- [[The Notes to be issued [have been/are expected to be] rated:]/[The following ratings reflect ratings assigned to notes of this type issued under the Programme generally:]
- [Moody's: [●]]
- [Fitch: [●]]
- [[Other]: [●]]
- (The above disclosure should reflect the rating allocated to notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)*
- Insert one (or more) of the following options, as applicable:*
- [[Insert credit rating agency/ies] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2001 (the “**CRA Regulation**”). As such [●] [is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]
- [[Insert credit rating agency/ies] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the “**CRA Regulation**”), although notification of the corresponding

⁷ Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.

⁸ This disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.

registration decision has not yet been provided by the relevant competent authority.]]

[[*Insert credit rating agency/ies*] [is/are] not established in the European Union but [is/are] endorsed by [*insert legal name of credit rating agency/ies*], which [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the “**CRA Regulation**”)]

[[*Insert credit rating agency/ies*] [is/are] not established in the European Union and [is/are] not endorsed under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the “**CRA Regulation**”), but [is/are] certified under the CRA Regulation.]

[[*Insert credit rating agency/ies*] [is/are] not established in the European Union and [has/have each] not applied for registration under Regulation (EC) No 1060/2009.]

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement:

“Save as discussed in “*Subscription and Sale*”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.” *(Amend as appropriate if there are other interests)*)

4 [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]

- | | |
|----------------------------------|-----|
| [(i)] Reasons for the offer | [•] |
| [(ii)] Estimated net proceeds: | [•] |
| [(iii)] Estimated total expenses | [•] |

5 [Fixed Rate Notes only – YIELD]

Indication of yield: [•]

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

6 OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

Any clearing system(s) (including Euroclear France) other than Euroclear Bank SA/NV and Clearstream Banking SA and the relevant [Not Applicable/give name(s) and number(s) [and address(es)]]

identification number(s):

Delivery:

Delivery [against/free of] payment

Names and addresses of additional

[•]

Paying Agent(s) (if any):

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes.] [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.][*include this text if “yes” selected in which case the Notes must be issued in NGN form unless they are deposited with Euroclear France acting as central depositary.*]

[No.] [Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7 DISTRIBUTION

(i) Method of Distribution:

[Syndicated/Non-syndicated]

(ii) If syndicated:

(a) Names of Managers:

[Not Applicable/*give names*]

(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)

(b) Stabilising Manager(s) if any:

[Not Applicable/*give name*]

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

[Not Applicable/*give name*]

(iv) US Selling Restrictions:

[Reg. S Compliance Category; TEFRA C/ TEFRA D/TEFRA not applicable]

8 STATE GUARANTEE

The aggregate principal amount of all debt instruments and other financial obligations of the Issuer outstanding on the Issue Date (together with the aggregate principal amount of the Notes and of all other debt instruments to be issued, and/or all other financial obligations to be incurred or assumed, by the Issuer on or prior to the Issue Date) benefitting from the State Guarantee and Temporary Guarantee does not exceed the maximum aggregate amount payable under the State Guarantee. [In addition, the Issuer has received the prior approval of the Guarantor to issue the Notes. / In addition, the Issuer has received from the Guarantor a certificate approving the issue of the Notes.]

DESCRIPTION OF THE ISSUER

Incorporation, Duration and Registered Office

Caisse Centrale du Crédit Immobilier de France – 3CIF (“**3CIF**”) or (the “**Issuer**”) is a member of Crédit Immobilier de France, a French independent network (the “**CIF Network**” or the “**CIF Group**”) specialising in the granting of residential home loans.

The Issuer was incorporated on 10 October 1986 for a duration of 99 years expiring, unless extended, on 1 December 2085, with the status of a *société anonyme* (a limited liability company) under French law.

The Issuer is registered at the Commercial and Companies Registry of Paris under Siren 339 350 712 RCS Paris. Its head office is at 26/28, rue de Madrid, 75008 Paris, France (Telephone: + 33 (0) 1 70 91 37 00). It is governed, *inter alia*, by the *Code monétaire et financier* (French Monetary and Financial Code) (the “**CMF**”) and by the *Code de Commerce* (French Commercial Code).

History, Structure and Business of Crédit Immobilier de France

Crédit Immobilier de France, which has existed for over one hundred years, organised itself throughout the 20th century around non-profit *sociétés anonymes de crédit immobilier* (or “**SACI**”), the oldest of which have been operating since 1908. Law N° 2006-1615 of 18 December 2006 (the “**2006 Law**”), which ratified the government order of 25 August 2006 and transformed the SACIs into cooperative home loan companies (“**SACICAPs**”), whose corporate purpose are to execute any transactions to enable low-income individuals to become homeowners, to conduct any transaction of real estate development and renovation and provide housing-related services to promote social integration.

SACICAPs are authorised to hold direct or indirect interests in any company whose corporate purpose is either to execute any and all housing transactions, provide housing-related services, and carry out any and all development operations related wholly or in part to housing operations; or to provide banking products and services and related services to retail customers in connection with housing transactions. SACICAPs are federated under the *Union d’Economie Sociale pour l’Accession à la Propriété* (“**UES-AP**”), which pre-approves acquisitions and divestments of direct or indirect ownership interests by the SACICAPs.

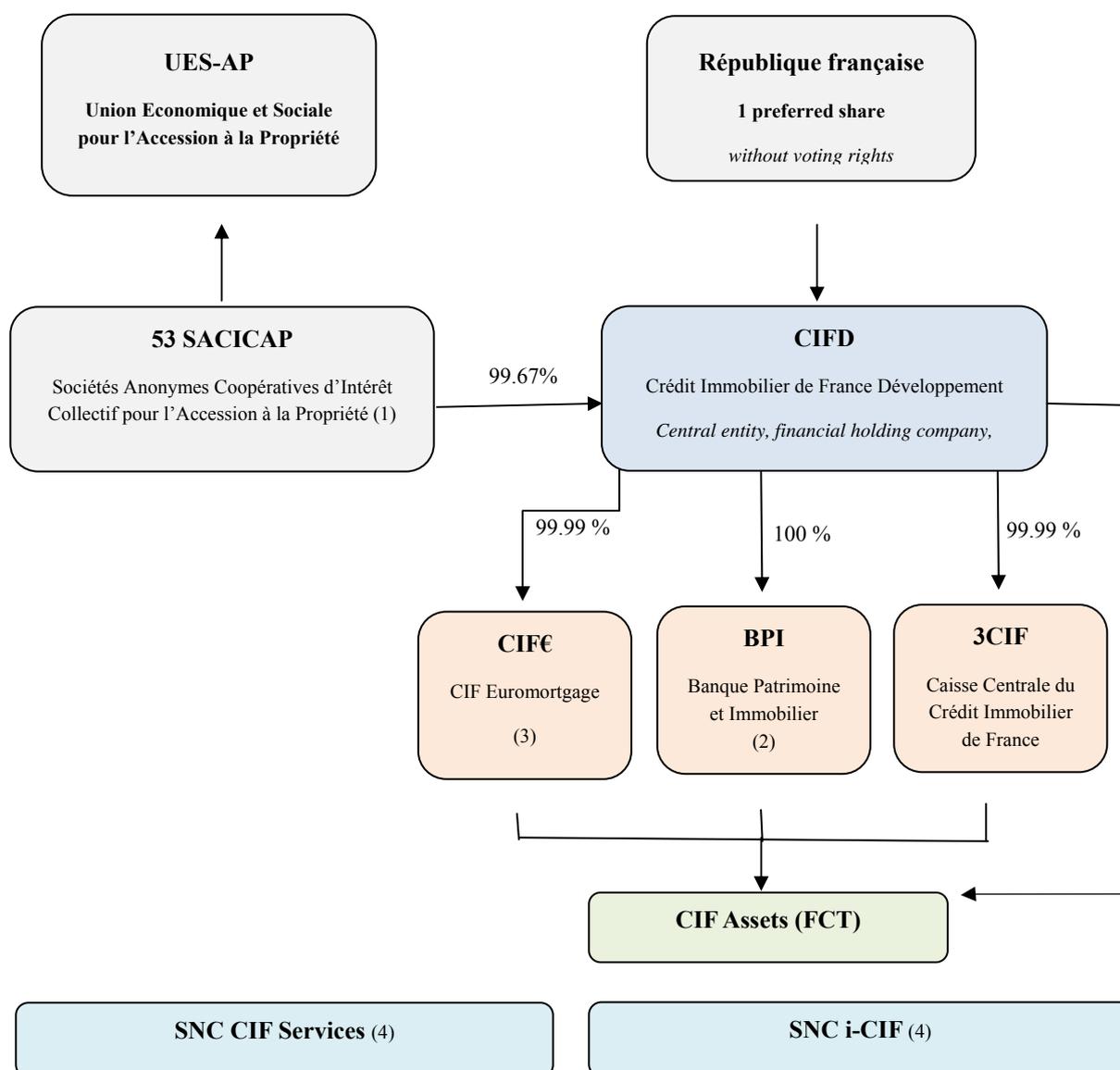
Article 3 of the 2006 Law provided for the creation of a new network, still known as “Crédit Immobilier de France”, comprising all the entities involved in the former Crédit Immobilier de France network’s lending activities, mainly Crédit Immobilier de France Développement (“**CIFD**”) and its subsidiaries, namely: 3CIF, CIF Euromortgage, and Banque Patrimoine et Immobilier (“**BPI**”).

CIFD, which is wholly owned by the SACICAPs, is the new Network’s central entity (“*organe central*”) as construed under French banking legislation.

CIFD is the central entity (“*organe central*”) and financial holding company of the CIF Network as construed under Articles L.511-30 and L.517-1 of the CMF. As of 1 January 2008, the CIF Group comprised principally 3CIF, CIF Euromortgage, BPI and various regional financial subsidiaries (“**SFRs**”).

The Protocol (as defined below) with the French State requires that the CIF Group simplify its organization and centralize its corporate governance. As part of simplification process, the shareholders of the SFRs swapped their shares for CIFD shares on 10 December 2014. CIFD owned virtually all the shares of the CIF Group’s SFRs. Three SFRs were merged into CIFD in 2015 and the remaining six were merged into CIFD in 2016.

The Crédit Immobilier de France Group at 31 December 2016



(1) Direct or indirect ownership

(2) 100% Series B subordinated units

(3) 100% Series A senior notes

(4) consortium created by CIF Group entities (CIFD, 3CIF, BPI), converted into a general partnership (*société en nom collectif*) at 1 January 2017

During the first quarter of 2017, there was a further slight change to the CIF Group structure following the dissolution of CIF Assets. See “Recent developments” below.

The CIF Group had as at 31 December 2016, an approximate €18,43 billion outstanding loans portfolio. It does not take customer deposits and it raises its funds exclusively in the financial markets. Consequently, its ratings are a decisive factor in its ability to secure the funding it needs to conduct its business. See “*Funding for CIF Group Units*” below.

The Financial Crisis and its effects on the CIF Group

3CIF has raised funds for more than 20 years through the issue of senior unsecured bonds. CIF Euromortgage, the CIF Group’s *société de crédit foncier* (SCF), has raised funds since its creation in 2001 through the issue of covered bonds.

Following the onset of the financial crisis in 2007, investor demand for private-sector senior unsecured bonds began to dry up. The volume of funds raised by 3CIF fell sharply and appeared a trend where investors increasingly looked for shorter-term maturity instruments issued by 3CIF and from other bank issuers. Thereafter, funding conditions became increasingly difficult for 3CIF. Although the CIF Group continued to be able to place its debt issues, the volume and conditions of its fund raising activity was significantly and negatively affected.

The financial crisis resurfaced and culminated in the second half of 2011 amid fears that the euro zone would break-up and that some of its member states would default on their debts. Issue spreads on debts of the so-called “peripheral economies” widened drastically, and those of France peaked at nearly 190 basis points over those of “benchmark” Germany. Europe’s banks were effectively being shut out of the senior unsecured borrowing market, and trading spreads in the secondary market widened considerably, particularly those of 3CIF, which rose to a high of around 450 bps over swaps on 3-year maturities in late 2011.

In January 2012, 3CIF prepared for its return to the markets and, on 1 February 2012, it issued €1 billion senior unsecured notes with a maturity of 18 months at a spread of 300 bps over 3-month Euribor.

For many years, 3CIF had been receiving unsolicited ratings of A1/P1 from Moody’s Investors Service. On 25 January 2012, 3CIF asked the agency for an official rating; Moody’s confirmed its existing A1/P1 rating at that time, and again on the occasion of 3CIF’s €1 billion senior unsecured note issue on 1 February 2012 above mentioned. Two weeks later, on 15 February 2012, Moody’s announced that it was putting 114 European banks and financial institutions on its watch list, including 3CIF for a possible downgrade of up to four notches. Against a backdrop of chronic tension in the senior unsecured funding market, these announcements had immediate and materially negative consequences for 3CIF. First, due to the scale of the downgrade announced by Moody’s, 3CIF and CIF Euromortgage were no longer able to access the capital markets for funding purposes, as both of them were under scrutiny of the maximum level of potential downgrade. Consequently, the CIF Group was facing a real risk of having a net cash shortfall by early May 2012, and so was forced to seek emergency liquidity assistance (ELA) from the *Banque de France* to cover its short-term cash needs.

More importantly, this announcement irremediably jeopardised the CIF Group’s business model, which relied exclusively on market funding and not on bank deposits. Despite €2.35 billion in shareholders’ equity and a solvency ratio of 14.7% at year-end 2011, Crédit Immobilier de France had to acknowledge the limits of its business model. The Board of Directors of CIFD voted to change this business model for a more durable arrangement involving either an investment in the CIF Group by another bank or some other solution that would allow the Group to continue its separation. The CIF Group opened a data room in June 2012 to allow potential investors to examine its business and organisation. However, the Basel III regulatory initiatives encouraged credit institutions to reduce their exposure to long-term commitments such as mortgage loans, and thus the CIF Group did not receive any firm offers within a reasonable timeframe.

On 28 August 2012, Moody’s finally downgraded 3CIF’s debt rating from A1/P1 to Baa1/P2, and CIF Euromortgage’s covered bonds rating from Aaa to Aa1.

As it had effectively lost all access to market funding, and in order to protect its investors, CIFD requested a State guarantee from The French State on 31 August 2012. On 1 September 2012, the Minister of the Economy and Finance announced in an official press release that the French State acceded to the request.

At the same time and given the CIF Group’s funding difficulties, the *Autorité du Contrôle Prudentiel* (“ACP”), France’s banking regulatory supervisor, imposed restrictions that effectively prevented the CIF Group from granting new mortgage loans.

On 25 October 2012, Moody’s further downgraded 3CIF’s debt rating to Baa2/P2.

On December 2012, the French Parliament authorised, under Article 108 of the 2013 Finance Law, the Minister of the Economy and Finance to grant the CIF Group a two-part State guarantee comprising:

- an “external” component guaranteeing future debt securities issued by 3CIF, to enable it to cover the CIF Group’s liquidity needs to up to €16 billion; and
- an “internal” component guaranteeing all of 3CIF’s commitments to CIF Assets and CIF Euromortgage arising from their cash investments and deposits and hedging transactions with 3CIF up to €12 billion.

On 21 February 2013, the European Commission announced that it had authorised, for a period of six months, the French State to issue an external State guarantee covering new securities issues by 3CIF up to €7 billion as well as an internal State guarantee relating to 3CIF’s commitments to CIF Assets and CIF Euromortgage up to €11 billion. On 14 August 2013, the European Commission announced an extension to this initial provisional authorisation until 28 November 2013.

These decisions provided for a provisional authorisation period corresponding to the period considered by the European Commission as necessary for the CIF Group to prepare an orderly resolution plan (the “**Plan**”) involving the closure of any non-viable activities and the sale of viable businesses.

Accordingly, pursuant to an initial protocol signed between the French government and CIFD on 28 February 2013 as amended on 22 August 2013, the French government, pursuant to Article 108 of the 2013 Finance Law, undertook to guarantee:

- new unsecured securities issued by 3CIF and all amounts comprising principal and interest thereon (including late payments interest, costs, etc.) up to a limit of €8 billion, which was previously €7 billion,
- 3CIF’s commitments to CIF Assets and CIF Euromortgage resulting from their cash deposits, investments and hedging operations with 3CIF, up to a limit of €11 billion.

These amounts were calculated to enable the CIF Group to cover all of its liquidity needs during the transitional period, and to cover the exposures of CIF Assets and CIF Euromortgage to 3CIF, respectively.

In early November 2013, the French government sent a final draft of the Plan to the European Commission, which included the sale of CIFD’s viable entities and the liquidation of all of CIFD’s unviable entities or assets and especially the cessation of its loan granting activities.

In a press release dated 27 November 2013, the European Commission announced that it agreed to the orderly resolution Plan of the CIF Group and it authorised the French Republic to issue a permanent State guarantee for debt issued by 3CIF and for the exposures of CIF Euromortgage and CIF Assets to 3CIF in replacement of the initial temporary guarantee provided on 21 February 2013 and amended on 22 August 2013 (see “Risk Factors - Factors relating to the State Guarantee” above).

On 27 November 2013, CIFD, 3CIF and CIF Euromortgage together with the *Banque de France* and CIF Assets entered into a final protocol (the “**Protocol**”) with the French State, which agreed, as Guarantor, to grant the State Guarantee as follows:

- an “external” State Guarantee up to a maximum amount of €16 billion, whereby the French State agreed to guarantee all new unsecured debt securities (including all amounts comprising principal and interest thereon (including late payments interest, costs, etc.)) issued by 3CIF and which would end at the latest on 31 December 2035;
- an “internal” State Guarantee for a maximum amount of €12 billion whereby the French State agreed to guarantee the exposures of CIF Euromortgage and of CIF Assets to 3CIF until 31 December 2035.

In return, the CIF Group committed to the following:

- Mortgage loan originations by the CIF Group must be definitively stopped.
- CIFD undertook to pay to the Guarantor an upfront guarantee commission of €5,000,000. This amount was paid by CIFD by means of set-off against the amount of the subscription proceeds payable by the Guarantor on the date of the subscription of preference shares which were issued by CIFD.
- CIFD and 3CIF undertook to pay jointly to the Guarantor a monthly commission of 5 basis points, calculated annually on the outstanding amounts (*pro rata temporis*) in principal and interest of all issues of debt securities benefitting from the State Guarantee or from the Temporary Guarantee together with an additional commission calculated as follows:

$$\begin{aligned}
 & 145 \text{ basis points} * \text{real average outstanding amount of “external” guaranteed debt} \\
 & + 148 \text{ basis points} * \text{real average outstanding amount of “internal” guaranteed debt}
 \end{aligned}$$

This additional commission is payable only if the payment conditions mentioned in the Protocol are satisfied and in particular if CIFD maintains a Tier 1 solvency ratio, on a consolidated basis (calculated as at 31 December of the preceding financial year), at a minimum level of 12%. If any additional commission were to result in such solvency ratio falling below 12%, the amount of the additional commission would be limited to such amount as would not result in such minimum solvency ratio being breached. The additional commission may also not become payable in certain other circumstances provided in the Protocol.

Under Protocol, the monitoring committee, created at the time of the initial protocol dated 28 February 2013, was maintained. Its members include up to five representatives of the French State designated by French State's Treasury Department (*Direction Générale du Trésor*), as well as corporate officers of CIFD, who shall have a consulting role in the committee. In addition, the monitoring committee is allowed to invite to its meetings, with a consulting role, members of the *Autorité de Contrôle Prudentiel et de Résolution* (the French banking regulator) or members of any supervisory authority or members of the *Banque de France* or any other person required by the committee to participate in any such meetings.

The monitoring committee shall exist throughout the duration of the Plan, and its duties will include:

- authorising decisions submitted to the committee for its prior approval pursuant to the Protocol,
- ensuring that the Plan is correctly implemented, and
- ensuring compliance with the conditions stipulated by the French State for the granting of its guarantee.

Subject to imperative legal and regulatory obligations applicable to the relevant entities, and for the entire duration of the State Guarantee:

- at the latest, on the fifth business day of each month, CIFD agrees to prepare and forward to the monitoring committee, a monthly report relating to the outstanding amount of the exposures of CIF Euromortgage and CIF Assets to 3CIF, together with the outstanding amount of debt securities issued by 3CIF and benefiting from the State Guarantee,
- 3CIF agrees to refrain from issuing any debt securities whether or not benefitting from the State Guarantee without the prior approval of the monitoring committee,
- CIFD agrees to refrain from distributing dividends, interim dividends, reserves, premium, or any other forms of distribution, and in particular from effecting any form of repayment of capital by any entity of the CIF Group to any person outside the CIF Group without the prior approval from the monitoring committee.

More generally, CIFD agrees to comply with and to implement the commitments included in the EC final decision announced on 27 November 2013.

See also the sections entitled "The State Guarantee" and "Risk Factors - Factors relating to the State Guarantee" above.

Share Capital of the Issuer

As at 30 June 2017, the nominal share capital of the Issuer amounted to €117,013,941 divided into 764,797 fully paid-up ordinary shares of €153 each.

The share capital of 3CIF is wholly owned by CIFD, with the exception of the shares held by the directors or ex-directors, each of them owning one share. 3CIF neither owns or holds any of its own shares and has no interest in companies holding its shares. No shares are owned by 3CIF's employees.

Issuer's Objects

As set out in Article 2 of its Articles of Incorporation, the Issuer's corporate purpose is as follows:

- (1) Conducting all banking activities and associated and connected activities set out in Article L.311-1 and L.311-2 of the CMF and all investment services and related services set out in Article L.321-1 and L.321-2 of the CMF for the benefit of the following corporate entities:
 - CIF Network member companies;
 - companies and groups controlled directly or indirectly, individually or collectively, by CIF Network member companies;
 - companies in which CIF Network members hold a direct or indirect stake;

- companies and groups controlling directly or indirectly, individually or collectively, one or more CIF Network member companies, together with subsidiaries of such companies and groups;
 - groups of social housing bodies linked to CIF Network member companies by direct or indirect shareholding interests with such companies and groups controlling one or more CIF Network member companies and having common directors or management. These entities are set out in a list determined by the CIF Network central body; and
 - mutual debt funds formed or managed by any of the above entities;
- (2) Granting products, banking services and associated services to any corporate entities to facilitate housing transactions stipulated in Article L.215-1 of the *Code de la construction et de l'habitation*; and
- (3) More generally, conducting all commercial and financial transactions relating to movable or immovable property, together with the formation or incorporation of companies or groups consistent with these objects or for any similar or connected purpose which may facilitate the development or achievement thereof.

Funding raised in the markets

Starting on 28 February 2013, when the French State agreed to grant its State guarantee, 3CIF resumed issuing its money market securities (*Titres de Créances négociables* - TCN) under four separate issuing programmes:

- €8 billion of guaranteed negotiable certificates of deposit benefiting from the Step Label;
- €4 billion of guaranteed domestic negotiable medium-term notes;
- €12 billion of non-guaranteed negotiable certificates of deposit; and
- €2 billion of non-guaranteed domestic negotiable medium-term notes.

In accordance with applicable regulations, the certificates of deposit have a maturity of one day to one year. Pursuant to the Protocol with the French State, guaranteed negotiable medium-term notes have a maturity of one to five years, whereas non-guaranteed negotiable medium-term notes have no maximum maturity.

The guaranteed negotiable money market securities are offered to investors outside the CIF Group. The non-guaranteed negotiable money market securities are offered to CIF Assets and CIF Euromortgage, as these securities benefit from the State guarantee by means of the Group's internal guarantee mechanism.

3CIF's negotiable money market securities have been granted the following ratings:

Class of securities	Fitch rating	Moody's rating
Guaranteed negotiable certificates of deposit	F1+	P1
Guaranteed negotiable medium-term notes	AA	Aa2
Non-guaranteed negotiable certificates of deposit	F1	P2
Non-guaranteed negotiable medium-term notes	A	Baa2

The ratings of securities issued by 3CIF with the State guarantee correspond closely to those of the French State. As they benefited from the State guarantee prior to 30 June 2014, 3CIF's securities qualify as Level 1 HQLA as construed under Regulation (EU) No. 575/2013 of the European Parliament and of the Council.

After considerable issuing activity in 2014, when it raised €8.48 billion in medium-term funding ("EMTNs") covered by the State guarantee, 3CIF issued only €2.1 billion and €600 million in EMTNs in 2015 and 2016, respectively.

This decline is principally due to a €3.7 billion decrease in the Group's mortgage loans outstanding, reflecting not only scheduled loan amortizations, but also an increase in the rate of early repayments resulting from a marked increase in loan purchases by competing institutions, as in 2015. Such loan purchases have affected all of France's mortgage lenders, especially the Group, which has ceased its lending activity.

1. Medium-Term Funding

a— Medium-Term Funds Raised in 2016

Medium-term securities issued by 3CIF in 2016 comprised €200 million in privately placed EMTNs and €400 million in publicly issued EMTNs. All of these securities carry the State guarantee of the Republic of France.

A single 4-year public-sector issue was floated in 2016: a tap issue based on the one floated in 2015 and maturing 31 July 2020. Market demand for the tap issue (issue date: 25 July 2016; value date: 2 August 2016) was €670 million. The coupon of 0.375% corresponds to a 23-basis-point spread over the benchmark French Treasury bond (OAT).

The following table analyzes these issues:

	< 1 year	1-3 years	3-5 years	> 5 years	Total
Amounts (€ thousands)	0	0	600	0	600
Analysis (%)			100%		100%

New Funding from Medium-Term Bonds Issued in 2016

ISIN	Issue date	Maturity	Amount (EUR)	Coupon (%)	Rate or Spread (%)	Currency
FR0012872182	02/08/2016	31/07/2020	400,000,000	0.375	FR0012872182	EUR
XS1446771708	21/07/2016	21/07/2021	200,000,000	0	XS1446771708	EUR
Total			600,000,000			

b—Redemptions

In 2016, 3CIF redeemed several debt issues that had matured, totaling €640.4 million in the balance sheet at 31 December 2015, as shown below:

- guaranteed bond issues €607 million
- non-guaranteed bond issues €33.4 million

3CIF repaid the remaining €1.6 billion of the €3.1 billion in LTRO funds it had initially received from the European Central Bank in 2012. It also repurchased and canceled €175 million of guaranteed debt.

c—Debt Securities outstanding at 31 December 2016

3CIF's €11.653 billion of debt securities outstanding comprise €9.510 billion of debt covered by the external guarantee and €1.195 billion of debt covered by the internal guarantee. The remaining €948 million consists of securities issued before the Republic of France granted its State guarantee.

The €9.510 billion in debt securities outstanding is well below the €16 billion external guarantee ceiling.

Medium-term debt securities outstanding stood at €10.46 billion at 31 December 2016 compared to €10.5 billion at 31 December 2015.

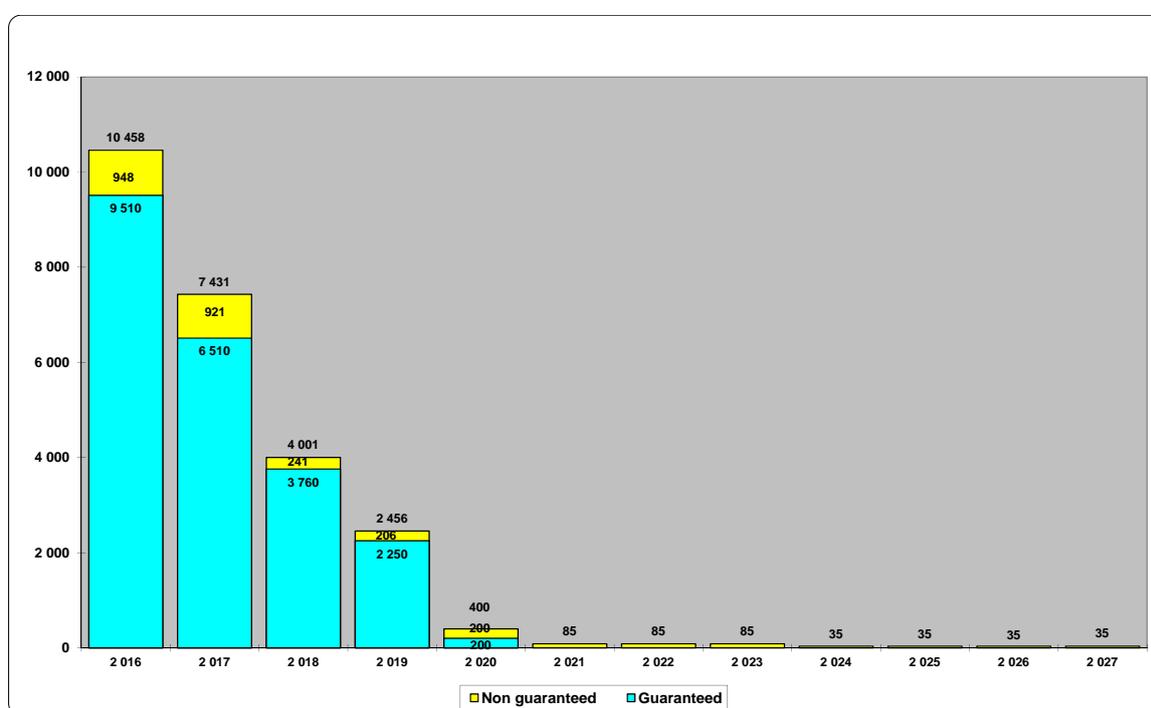
At year-end 2016, all of 3CIF’s debt was denominated in euros.

After factoring in swaps used for hedging purposes, the total cost of 3CIF’s guaranteed and non-guaranteed debt was 15 bp over 3-month Euribor at 31 December 2016 (excluding the commission payable to the Republic of France in respect of the State guarantee), and the total cost of its guaranteed debt (excluding the commission) was 27 bp over 3-month Euribor, unchanged from 31 December 2015.

d—Maturity Schedule of 3CIF’s Medium term Debt

At 31 December 2016, the maturity schedule of 3CIF’s medium term debt was as follows:

Maturity Schedule of 3CIF’s Medium Term Debt at 31 December 2016



2. Short-Term Debt Instruments

In 2016, 3CIF issued only short-term debt instruments, which carried the internal guarantee and were purchased by CIF Euromortgage and CIF Assets.

As mentioned above, the decline in funding in the form of negotiable debt securities reflected lower funding needs in general following the cessation of loan originations and early repayments of loans outstanding. Instead, it focused its issuing efforts on EMTNs.

**Short-Term Debt Instruments at 31 December 2015 and 31 December 2016
and Average Amounts in 2015 and 2016**

Debt instruments, € thousands	Average amounts in 2016	Holdings at 31 December 2016	Average amounts in 2015	Holdings at 31 December 2015
Guaranteed negotiable certificates of deposit	2,732	0	594,890	50,000
Non-guaranteed negotiable certificates of deposit	1,687,842	1,195,000	103,781	800,000
Euro commercial paper	0	0	0	0
Total	1,690,574	1,195,000	698,671	850,000

3. Interbank and Intra-Group Funding

Mortgage promissory notes outstanding at year-end 2016 stood at €1 billion compared with €1.34 billion at year-end 2015. These intra-Group securities are not covered by the internal guarantee.

At 31 December 2016, 3CIF's main sources of interbank funds can be analyzed as follows:

- a €1 billion mortgage promissory note issued to CIF Euromortgage (€1.34 billion at year-end 2015)
- funds deposited by CIF Assets, totaling €844 million at 31 December 2016 versus €1.2 billion at year-end 2015 and corresponding to its general reserve, which was reduced to €80 million in October 2015 from €1.8 billion previously; the special collection reserve (€272.5 million), and mortgage loan payments that CIF Assets had not yet transferred to its creditors, for a total of €492 million
- the residual amount of demand deposits from Group companies (€4.56 million, compared €740 million at 31 December 2015)
- the residual balance of a loan from Dexia due 2029 (€65 million, compared with €70 million at year-end 2015).

4. Other Funding

3CIF has paid or received cash collateral in respect of its forward instruments transactions with counterparties outside the Group. Throughout the year, it benefited from additional short-term funds amounting to €261 million at 31 December 2016, compared with €247 million at year-end 2015.

PROVIDING HEDGING INSTRUMENTS

3CIF is the sole supplier of financial instruments to CIF Group companies, enabling them to hedge their interest-rate and currency exposure. During 2016, it sold them forward financial instruments with a total notional amount of €80.3 billion at 31 December 2016, compared with €126.53 billion at 31 December 2015.

**Hedging Instruments provided to the Operating Subsidiaries
at 31 December 2015 and 31 December 2016**

Instruments sold to CIF Group entities (€ millions)	2016	2015
FRAs	0	8,069
Caps	0	0
Long-term interest-rate swaps	0	298
Short-term interest-rate swaps	80,350	118,168
Notional total	80,350	126,535

At 31 December 2016, cash collateral deposits received in respect of hedging transactions in the financial markets amounted to €2.2 billion compared to €2.4 billion at 31 December 2015.

At the end of 2015, the CIF Group began to manage its interest-rate exposure on a consolidated basis. Accordingly, it has terminated all intra-Group hedging operations, with the exception of those conducted with CIF Euromortgage.

C—LIQUIDITY MANAGEMENT FOR THE CIF GROUP

3CIF manages the CIF Group's liquidity reserves with the aim of optimizing liquidity management and minimizing the cost of the State guarantee.

Of the two CIF Group entities that have excess liquidity reserves, CIF Assets places the funds mainly from its general reserve and special collection reserve exclusively with 3CIF, whereas CIF Euromortgage places the amount of its liquidity that corresponds to the CIF Group's needs with 3CIF, and invests the rest in French Treasury bills (BTF) or deposits with the Banque de France, thus limiting recourse to the internal State guarantee.

3CIF also holds a securities portfolio, the face value of which totaled €517 million at year-end 2016, excluding intra-Group covered bonds. A large portion of this portfolio is eligible for repo funding should the need for liquidity arise.

The only changes to this portfolio in 2016 concerned securities that had matured during the year. Those securities had a combined face value of €62 million.

Covered bonds issued by CIF Euromortgage and held by 3CIF amounted to only €30 million at year-end 2016, compared with €905 million a year earlier, reflecting the early repayment of some of those securities.

At 31 December 2016, 3CIF had an outstanding amount of liquidity reserves and securities totaling €643.7 million, including €30 million in face value of covered bonds, compared with €1.58 billion at 31 December 2015 (including €905 million in covered bonds). Liquidity reserves at those two dates, and average amounts in both years, can be analyzed as follows:

3CIF's Medium- and Long-Term Securities Portfolio: Holdings at 31 December 2015 and 31 December 2016 and Average Amounts in 2015 and 2016

€ thousands	Average amounts in 2016	Holdings at 31 December 2016	Average amounts in 2015	Holdings at 31 December 2015
Securitizations				
Fixed-rate RMBSs	—	—	0	—
Floating-rate RMBSs	—	—	174,888	—
Total external securitizations	—	—	174,888	—
CIF Assets Series B subordinated units	96,700	96,700	96,700	96,700
Total internal securitizations	96,700	96,700	96,700	96,700
Total securitizations	96,700	96,700	271,588	96,700
Government securities and equivalents	467,478	435,000	555,623	497,147
Other government securities	0	0	0	0
Total government securities	467,478	435,000	555,623	497,147
Bank FRNs: EMTNs	—	—	4,142	—
Bank FRNs: bonds	—	—	0	—
Total Bank FRNs	—	—	4,142	—
Internal covered bonds: CIF Euromortgage	326,585	30,000	1,112,534	905,000
External covered bonds	82,000	82,000	118,956	82,000
Total covered bonds	408,585	112,000	1,231,490	987,000
Total reserves	972,762	643,700	2,062,844	1,580,847

Liquidity reserves (excluding internal securitizations)	876,062	547,000	1,966,144	1,484,147
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The amount of CIF Assets Series B subordinated units in the portfolio remained steady at €96.70 million.

At 31 December 2016, 3CIF's medium-term securities portfolio, excluding securities issued by Group units, had a total face value of €517 million, with exposure primarily to France (47%) and Belgium (10%). Exposure to Spain and Italy was only 8.7% and 2.9% (7.8% and 2.6% at year-end 2015), respectively.

With the exception of CIF Euromortgage covered bonds, the majority of securities comprising 3CIF's liquidity reserves are carried as debt securities held to maturity.

Financial Statements

3CIF reported net banking income of €54.47 million in 2016, up €8.78 million from €45.69 million in 2015.

3CIF reported gross operating income of €37.92 million in 2016 compared with €31.96 million in 2015.

After adding provisions for risk, which were lower by €0.04 million, operating income amounted to €37.96 million in 2016 compared to €29.99 million in 2015.

After the writeback of an €0.083 million provision, income before tax and nonrecurring items amounted to €38.04 million.

Following an adjustment of the provision in respect of the Staff/Management Agreement at 31 December 2016, generating a gain of €0.33 million, and the recognition of 3CIF's €13.78 million share of income tax due to its parent company CIFD, 3CIF reported net income of €24.63 million in 2016 compared with €10.46 million in 2015.

The balance sheet continued to contract. Total assets amounted to €14.76 billion at 31 December 2016 compared with €15.92 billion at 31 December 2015.

Additionally, off-balance sheet commitments mainly comprise:

Commitments Given

- (1) €1.35 billion in guarantees given, largely consisting of receivables pledged as collateral for the €1 billion mortgage promissory note that CIF Euromortgage purchased from 3CIF
- (2) €72 million in other commitments given, comprising securities posted as collateral on a loan from Dexia with a face value of €70 million.

Commitments Received

- (1) €2.84 billion in guarantees received (compared with €3.89 billion at 31 December 2015), corresponding mainly to securities that 3CIF received as collateral for the mortgage promissory notes that 3CIF purchased from operating subsidiaries (€0.34 billion), as well as from CIFD (€2.49 billion).

The annual report of the Issuer at and for the year ended 31 December 2016 and the interim report at and for the six months ended 30 June 2017 may be obtained from the Issuer's Web site: <http://www.3cif.com>.

RISK MANAGEMENT

In its conduct of business, 3CIF is exposed to two main types of risk, which are financial risks and credit risks. These risks are controlled through asset-liability management (ALM).

A.FINANCIAL RISK

Since the end of 2015, the 3CIF Group has been managing its interest-rate risk exposure on a consolidated basis, with the consent of the ACPR; accordingly, 3CIF has no longer needed to comply with individual limits.

The Group Finance Division is responsible for interest-rate risk management and funding. The ALM team operates within this division. The Balance Sheet Management and Asset Optimization Committee makes operational decisions concerning financial risk at the 3CIF Group level.

CIF Euromortgage continues to be responsible for its own management, and it must remain within the very narrow interest-rate risk limits it has been given. If required, it hedges its interest-rate risk exposure by means of swaps with 3CIF.

1. Interest-Rate Risk

Interest-rate risk is the risk incurred due to disparities between fixed-rate lending and borrowing positions, both on and off the balance sheet, in the event of fluctuations in interest rates.

a. Summary Description of the Interest-Rate Risk Management Organization

Based on recommendations from 3CIF's ALM department, the Balance Sheet Management and Asset Optimization Committee determines interest-rate risk management organization and methods, which are validated by CIFI's Board of Directors. Their purpose is to measure interest-rate risk exposure in the event of adverse movements in market parameters.

The following entities are responsible for monitoring financial risks.

The Board of Directors of CIFI

CIFI's Board is in charge of organizing and supervising the management of the CIF Group's financial risks:

- (1) It sets the CIF Group's ALM standards and limits.
- (2) On behalf of the CIF Group's shareholders, it monitors risks and the asset-liability management implemented under the supervision of the Risk Committee and of the Balance Sheet Management and Asset Optimization Committee.

To ensure compliance with new regulations, the Board of Directors has set up its own risk committee to validate CIF Group risk policy in all areas of business (see above).

The Balance Sheet Management and Asset Optimization Committee

CIFI's Board of Directors has delegated to the Balance Sheet Management and Asset Optimization Committee the task of determining ALM policy for the consolidated CIF Group.

The Balance Sheet Management and Asset Optimization Committee bases its decisions on information provided by the CIF Group Finance Division's ALM department and on data generated by a single software tool used to measure ALM risks for all the subsidiaries.

Accordingly, the Balance Sheet Management and Asset Optimization Committee:

- (1) monitors the CIF Group's profitability
- (2) proposes solutions for optimizing CIF's profitability, as well as corrective measures in the event of any variance with respect to the budget

- (3) formulates the strategy for managing shareholders' equity with the aim of optimizing the return on net assets
- (4) proposes and monitors funding policy according to orientations defined and validated by CIFD's Board of Directors
- (5) proposes and monitors balance sheet management criteria, maturity mismatches, and interest-rate and liquidity exposures submitted for the approval of CIFD's Board of Directors
- (6) monitors market conditions and market exposures, as well as their impact on funding efforts
- (7) monitors the main developments and changes at the financial subsidiaries, the means for funding outstandings (such as securitization), and the quality of the various portfolios
- (8) ensures overall coherence between general developments concerning outstandings, funding guaranteed and non-guaranteed debt, and controlling margins (net interest margin).

The following are members of the Balance Sheet Management and Asset Optimization Committee:

- (1) the Chief Executive Officer, who is Chairman of the Committee
- (2) Deputy Chief Executive Officers
- (3) the Chief Financial Officer
- (4) the head of the Group Risk, Permanent Control, and Compliance Division
- (5) the General Inspection and Internal Audit Division
- (6) a CIF Group-level head of a territory
- (7) the head of the ALM department
- (8) the head of the funding and investor relations department
- (9) the head of the management audit department
- (10) the deputy head of the financial risk department

The CIF Group Finance Division

The CIF Group Finance Division's ALM department has the following missions:

- (1) making recommendations to the Balance Sheet Management and Asset Optimization Committee concerning financial risk standards and indicators to be used by the CIF Group
- (2) making recommendations to the Balance Sheet Management and Asset Optimization Committee concerning the ALM tools, models, and conventions (*e.g.*, early repayment conventions, rules for treating decreasing shareholders' equity) to be used to measure financial risk exposure
- (3) making recommendations to the Balance Sheet Management and Asset Optimization Committee concerning the Group's asset-liability management
- (4) informing the Balance Sheet Management and Asset Optimization Committee of the consolidated Group's ALM risks
- (5) measuring and managing the consolidated CIF Group's ALM risks
- (6) applying and monitoring application of the Balance Sheet Management and Asset Optimization Committee's decisions.

c. System for Measuring and Monitoring Interest-Rate Risk

As interest-rate risk is now managed at the consolidated level, the indicators mentioned below refer to the CIF Group rather than to 3CIF alone.

Since the end of 2007, all CIF Group subsidiaries have been using a single management tool, Fermat. This tool gives them access to a shared database for analyzing individual company and consolidated risks in the areas of ALM conventions, methods, and product management.

The CIF Group's interest-rate risk management policy is indicated under risk and collection policy in the sixth section of the annual report on structural balance sheet risks.

The financial risks at 31 December 2016 were presented to the Balance Sheet Management and Asset Optimization Committee at its meeting on 23 March 2017.

At 31 December 2016, the results of those analyses were as follows:

- The sensitivity of income to a 1-point parallel shift in the yield curve over one year was €8.8 million, compared with an authorized limit of €25 million.
- The aggregate sensitivity of the NPV of the balance sheet to a 2-point parallel shift in the yield curve and a $\pm 1\%$ rotation of the yield curve was €43 million, compared with an authorized limit of €122 million.

d. Permanent and Periodic Control of Interest-Rate Risk Management

The CIF Group Risk, Permanent Control, and Compliance Division monitors all activity, participates at Balance Sheet Management and Asset Optimization Committee meetings, and intervenes as needed.

3CIF's permanent control checklist imposes a series of balance sheet management verifications to be conducted quarterly or semiannually.

Conclusions on interest-rate risk exposure and information provided to General Management and the Board of Directors are as follows:

- Limits are validated by CIFD's Board of Directors. CIFD's Chief Executive Officer is also chairman of the Balance Sheet Management and Asset Optimization Committee, which meets at least once a quarter and ensures compliance with these limits.
- The Balance Sheet Management and Asset Optimization Committee's documents provide information on the decrease in fixed-rate and interest-rate-capped asset and liability items, as well as consolidated sensitivity measurements required under the CIF Group's risk and collection policy in the sixth section on structural balance sheet risks.

Throughout the year, the CIF Group systematically remained within its sensitivity limits.

2. Liquidity Mismatch and Funding Risk

Liquidity mismatch risk is the risk that the Group will be unable to honour its commitments or unwind or offset a position due to a market configuration or idiosyncratic factors, within a determined timeframe and at a reasonable cost.

a. System of Limits Governing Liquidity Mismatch Risk and Funding

The CIF Group manages its liquidity on a consolidated basis. 3CIF, which benefits from the State guarantee of the Republic of France, is the CIF Group's issuing arm and is central to operational liquidity management.

Based on recommendations made by General Management, CIFD's Board of Directors sets liquidity limits, which it reviews at least once a year, and more frequently whenever required.

Every year, the Balance Sheet Management and Asset Optimization Committee establishes a funding program for the following 12 months based on a consolidated maturity schedule prepared by the Finance Division, and it assesses future needs for subsequent years. In particular, it factors in future needs (extending beyond 12 months) when calibrating the term of borrowings planned in the program. It submits this program to CIFD's Board of Directors for approval. The program, its execution, and any possible changes to it are examined at every meeting of the Balance Sheet Management and Asset Optimization Committee. Any important changes in the program are submitted to CIFD's Board of Directors for approval.

The Finance Division:

- (1) presents the liquidity situation to CIFD's Board of Directors once a year, and more frequently whenever required
- (2) prepares a consolidated maturity schedule of assets and liabilities until complete amortization or repayment for the Balance Sheet Management and Asset Optimization Committee on a quarterly basis. This schedule factors in adjusted and documented forecasts of early repayments and reclassifications of home loans as nonperforming. Securities in 3CIF's liquidity reserve are presented according to their actual maturity schedule.
- (3) submits a proposed funding program every year to the Balance Sheet Management and Asset Optimization Committee for the following 12 months. The Finance Division informs the Committee of progress on the program at each of its meetings, and recommends changes as needed.
- (4) Under the terms of the Protocol, only securities issued by 3CIF with a term of three months to five years are eligible for the State guarantee. Issue maturities in the funding program must be planned to ensure balance with respect to future borrowing needs, and they must provide three months of financial autonomy (see below).
- (5) establishes, at least twice a month, a consolidated maturity schedule of the CIF Group's assets and liabilities for the following 12 months. The schedule for mortgage loans is updated quarterly, factoring in adjusted and documented forecasts of early repayments and reclassifications of loans as nonperforming. A buffer is also factored into the CIF Group's funding needs. The amount of that buffer is regularly reassessed using consistent criteria; it currently stands at €495 million.
- (6) files a request every quarter with France's Treasury Department for authorization to issue securities for the following half-year, and requests prior authorization from Agence France Trésor for any planned public issue of €1 billion or more
- (7) sets the issue schedule and completes securities issues in accordance with the following financial autonomy requirement: At all times, in application of the 12-month consolidated maturity schedule and the buffer to compensate for the risk of volatility of certain assets or liabilities, the CIF Group must have strictly positive cash flow for the subsequent three months.

At year-end 2016, 3CIF had a liquidity coverage ratio (LCR) of 83% (147% on a consolidated basis) as construed under Basel III standards, which took effect on 1 January 2015, compared with a minimum requirement of 70% as of 1 January 2016, 80% as of 1 January 2017, and 100% as of 1 January 2018.

- *System for permanent and periodic control of liquidity mismatch risk and funding*

3CIF is responsible for first-tier verifications, and the CIF Group Risk, Permanent Control, and Compliance Division is responsible for second-tier verifications.

3CIF's permanent control checklist imposes a series of balance sheet management verifications to be conducted monthly, quarterly, or semiannually.

- *Conclusions on Liquidity Mismatch Risk Exposure and Information Provided to General Management and the Board of Directors*

After the Republic of France granted the CIF Group its State guarantee, there was a radical change in liquidity mismatch risk exposure of both the CIF Group and 3CIF.

The liquidity positions of 3CIF and the CIF Group have regularly been presented to the Boards of 3CIF and CIFD.

The Monitoring Committee, which applies to France's Treasury Department every quarter for quarterly issue authorizations, is regularly informed of the liquidity position. It also examines all changes to liquidity mismatch risk rules and limits.

3. Currency Risk

By 31 December 2016 all of 3CIF's debt denominated in foreign currencies had matured.

B.CREDIT RISK ON FINANCIAL COUNTERPARTIES

A risk management system, established under the supervision of the CIF Group Risk, Permanent Control, and Compliance Division, defines and validates the methods and tools used to measure, monitor, and control credit risk and country risk.

1. Definition

Credit risk on counterparties is the risk (potential exposure to losses) incurred in the event of default by one or more counterparties considered to be a group of connected clients as construed under Regulation (EU) No. 575/2013 of the European Parliament and of the Council §4¶1 (39): "two or more natural or legal persons who, unless it is shown otherwise, constitute a single risk because one of them, directly or indirectly, has control over the other or others".

One or more natural or legal persons may also be considered as constituting a single risk if they are so interconnected that, if one of them were to experience financial problems, the other or all of the others would also be likely to encounter difficulties.

2. System for Choosing Counterparties

3CIF does not lend to individuals, and its loans to CIF Group companies are covered by the CIFD mutual guarantee system. It is, however, exposed to credit risk on its dealings with financial counterparties from outside the CIF Group. For the most part, these risks arise when 3CIF acquires securities and instruments for the purpose of managing its liquidity reserves, invests excess cash, or purchases forward instruments (swaps, caps, floors, etc.) to hedge the CIF Group's financial risks.

3CIF may not enter into any transaction if the Risk Policy Executive Committee has not set limits beforehand with respect to the counterparty, the nature of the transaction, and the duration. 3CIF does not deal with counterparties whose long-term rating is below A- at the time of the transaction.

In accordance with applicable procedures, the Interest-Rate Hedging and Funding and Cash Management front offices are responsible for submitting requests to the CIF Group Risk, Permanent Control, and Compliance Division to establish or increase a limit on a counterparty or instrument prior to any transaction for which no prior authorization has been given. After having analyzed the transaction and issued an in-house rating, the CIF Group Risk, Permanent Control, and Compliance Division submits its opinion to the Risk Policy Executive Committee for authorization.

Lastly, 3CIF only enters into forward instruments transactions under framework agreements containing collateralization clauses.

3CIF's Risk Policy Executive Committee holds meetings on a quarterly basis.

3. Monitoring and Controlling Risks

An annual review of limits is conducted on bank counterparties with which 3CIF enters into transactions. Those counterparties with which 3CIF has entered into a significant volume of transactions are monitored more frequently. As of 31 December 2016, all forward instruments transactions are cleared and settled through a clearing house.

Concerning the portfolios of securities comprising its liquidity reserve, 3CIF did not purchase any securities from entities outside the Group. Moreover, three government securities issues in its portfolio matured, reducing the amount of this reserve by 11%.

3CIF has entered into forward instruments transactions with a number of bank counterparties, under ISDA- and FBF-type framework agreements containing collateralization clauses that may require a given counterparty to post cash or securities to cover the risk to the other counterparty.

Accordingly, 3CIF has regularly made cash collateral deposits with its counterparties, the amount of which stood at €2.1 billion at 31 December 2016, unchanged from the amount a year earlier. At 31 December 2016, cash collateral deposits it had received from counterparties totaled €260 million compared with €247 million at year-end 2015.

The CIF Group uses the Fermat GEM software program to monitor credit risk on a daily basis as part of its financial counterparty risk management. Fermat GEM enables the Financial Division and the Group Risk, Permanent Control, and Compliance Division to ensure compliance with limits.

No limit overruns occurred in 2016.

4. Analysis of Outstandings

The system used to measure and monitor counterparty risks (Fermat GEM) provides a continuously updated status of commitments and can analyze them according to various criteria, such as geographic area or nature of transaction.

At 31 December 2016 the notional amount of 3CIF's transactions with external counterparties totaled €38.4 billion, of which €37.4 billion were off-balance sheet commitments. Of the €1.026 billion in transactions on the balance sheet, €517 million (notional) were initiated in prior years.

C.—OTHER RISKS

1. Operational Risks

Operational risk is defined as the risk of loss arising from a mismatch or failure involving a company's processes, staff, and internal systems, or that caused by outside events, including legal risk.

CIF Group's permanent control organization monitors and manages operational risk using a map of operational risks and the permanent control plan. In the fourth quarter of 2016, updates were undertaken based on operational procedures as well as on direct exchanges between the relevant operational staff members during various workshops.

The fact of gathering reliable data on incidents and losses fosters awareness among operating staff. No operational risks with a material impact on 3CIF's financial condition were reported to the CIF Group Risk, Permanent Control, and Compliance Division in 2016. Second-tier verifications focused on activities that undergo first-tier verifications by operational staff.

As part of a new CIF Group approach undertaken in July 2016, human resources risk is now addressed by means of precautionary action plan aimed at various positions identified as key persons, absentees, and laid off staff members.

2. Legal Risk

Legal risk is the risk of a dispute with a counterparty resulting from a lack of precision or a deficiency that could impact the conduct of business.

3CIF incurs legal risks on its activities, especially securities issues and the publication of financial information. It uses the services of specialized law firms for assistance with its funding programs and the securities it issues under those programs. Its annual and interim financial statements are audited and certified by the independent auditors in accordance with applicable regulations.

3. Noncompliance Risk

Noncompliance risk is the risk of legal, administrative, or disciplinary sanctions; material financial loss; or reputation impairment arising from the failure to comply with directly applicable French or EU laws and regulations governing banking and financial activities, professional and ethical standards, or instructions by managers made in application of orientations from the Board of Directors.

Like all others, this risk must be assessed and managed as a function of the potential consequences of adverse events, which would generate a cost to 3CIF in terms of civil or criminal liability, administrative sanctions, and/or reputation impairment.

Legal or arbitration proceedings

At the date of the Information Memorandum, there is no legal or arbitration proceedings which may have or have had a significant effect on the Issuer's financial position in the recent past.

MANAGEMENT OF THE ISSUER

The Issuer's By-Laws provide for a Board of Directors consisting of not less than three and not more than twelve directors (the "**Directors**"). The Directors are appointed by the general meeting of shareholders for a period of six years, but may serve any number of consecutive terms.

Board of Directors

The Board of Directors determines the orientations of the Issuer's conduct of business and ensures that they are applied. Within the limits of the corporate purpose and the powers specifically granted to the shareholders' meetings, it examines and makes decisions on all matters concerning the Issuer's operations. The Board of Directors elects a chairman from among its members and sets his remuneration. The Chairman must necessarily be a natural person. The Chairman's term of office may not exceed his term as Board member. The Chairman organises and oversees the operations of the Board of the Directors, on which he reports to the shareholders' meeting. He ensures that the corporate governance bodies carry out their tasks, and that Board members are capable of exercising their duties.

As at 30 June 2017, membership of the Board of Directors is as follows:

- Yannick Borde, Chairman,
- Robert del Bianco, Director
- Jean Pierre Goetzinger, Director
- CIFD Thierry Gillouin, Director
- Dominique Guérin, Director
- Dominique Lambecq, Director
- Jacky Lecointe, Director

General Management

See section « Recent Developments ».

Corporate Officers

Jérôme Lacaille and Patrick Amat are both corporate officers as construed under Article L.511-13 of the CMF.

Conflicts of Interests

To the knowledge of the Issuer, the duties owed by the members of the Board of Directors and the General Management do not give rise to any potential conflicts of interest, material to the Notes, with such members' private interests or other duties.

Employees

As at 30 June 2017, the Issuer's staff numbered 25. The accounting functions, internal control, computing and logistics are now pooled within CIF Service, a *Groupement d'intérêt économique* established under French Law.

Independent Auditors

The Shareholders' Meeting of 31 May 2017 renewed the appointments of the independent auditors for a six-year term, to expire at the close of the Shareholders' Meeting convened to approve the financial statements at and for the year ending 31 December 2022:

- **Statutory Auditors**
 - Mazars, Tour Exaltis, 61 Rue Henri Regnault, 92075 La Défense, represented by Virginie Chauvin
 - PricewaterhouseCoopers Audit, 63 Rue de Villiers, 92220 Neuilly sur Seine, represented by Antoine Priollaud

- **Substitute Auditors**

- Michel Barbet-Massin, Tour Exaltis, 61 Rue Henri Regnault, 92075 La Défense
- Laurent Tavernier, 63 Rue de Villiers, 92220 Neuilly sur Seine.

During the last Shareholders' Meeting, the Board of Directors reappointed Mazars and PricewaterhouseCoopers Audit as independent auditors, and Michel Barbet-Massin as alternate auditor for a new six-year term, to expire at the close of the Shareholders' Meeting convened to approve the financial statements at and for the year ending 31 December 2022, and appointed Laurent Tavernier as alternate auditor replacing Boris Etienne, for a six-year term also to expire at the close of the Shareholders' Meeting convened to approve the financial statements at and for the year ending 31 December 2022.

RECENT DEVELOPMENTS

A—DISSOLUTION OF CIF ASSETS AND THE REORGANIZATION OF THE ASSETS OF CIF EUROMORTGAGE

Pursuant to Articles R.513-3 IV of the CMF (introduced by Decree (*décret*) 2014-526 of 23 May 2014 governing the prudential regulation of SCFs and housing finance companies), as of 31 December 2017, SCFs will no longer be permitted to hold securities issued by FCTs in amounts exceeding 10% of the face value of their covered bonds issued and other secured debt. Within the CIF Group, these new regulations concern CIF Euromortgage.

In December 2015, CIF Euromortgage and the CIF Group presented the ACPR with an action plan entailing the early dissolution and liquidation of CIF Assets and its sole sub-vehicle, CIF Assets 2001-1, in application of Articles L.214-183 and R.214-226 of the CMF, and the implementation of a new method for ensuring the CIF Group's funding.

Pursuant to Article 154 of the Sapin II Law (concerning transparency, the fight against corruption, and the modernization of the economy), which took effect on 16 December 2016, CIF Euromortgage will be allowed to operate according to Article L.211-38 of the CMF. Several months ahead of the deadline, CIF Euromortgage achieved compliance with the new regulations by reorganizing its assets, which previously consisted to a very large extent of senior bonds issued by its captive FCT CIF Assets.

The early liquidation of CIF Assets in the first quarter of 2017 has enabled CIF Euromortgage to operate according to Article L.211-38 of the CMF.

While organizing its new funding method, CIF Euromortgage had the benefit of guaranteed liquidity from 3CIF and agreed to ensure overcollateralization. 3CIF's liquidity guarantee ensured CIF Euromortgage that it would have access to:

- coverage of its liquidity needs over a period of 180 days in accordance with Article R.513-7 of the CMF,
- coverage of two months of upcoming covered bond redemptions, or
- 0.5% of the amount of covered bonds outstanding,

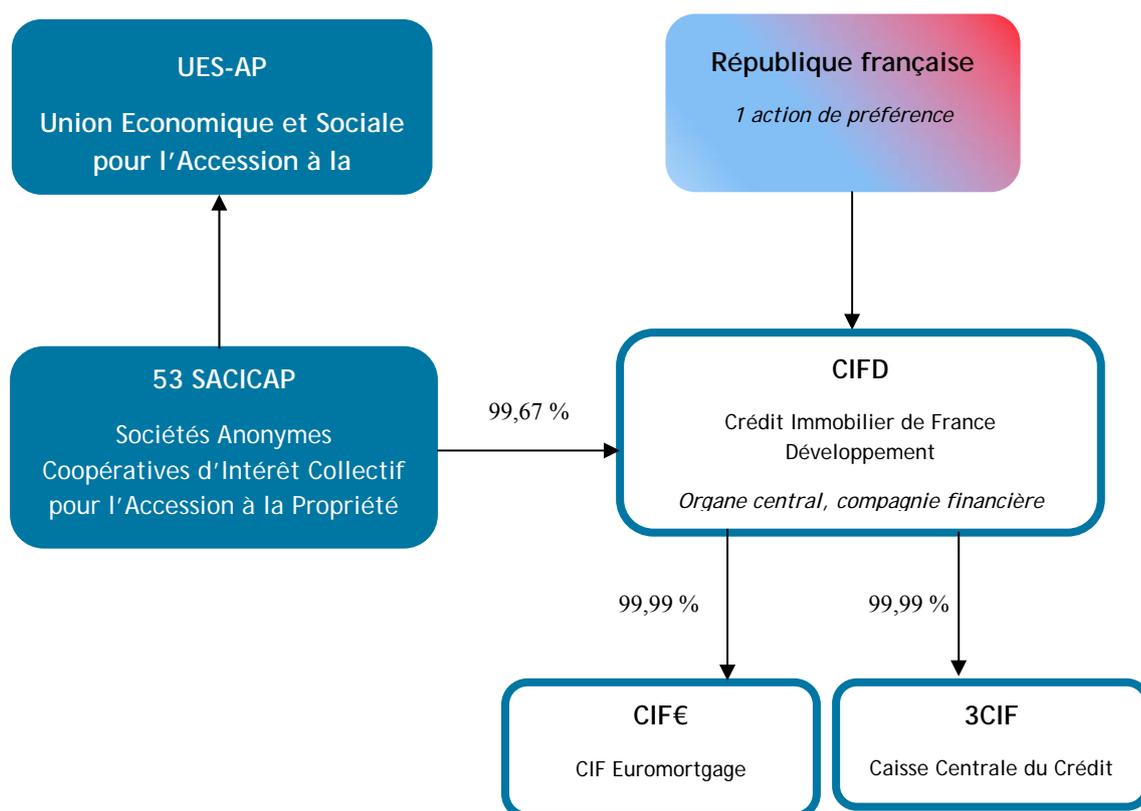
whichever is highest.

With regard to the scope of the operation, and with the aim of reassuring investors, CIF Euromortgage has posted to its Web site detailed information required by the European Covered Bond Council (ECBC), which is a platform bringing together investors, analysts, and issuers of covered bonds in Europe, that has helped standardize certain practices that are recognized by the rating agencies.

In accordance with Article L.211-38 of the CMF, the €7.548 billion in covered bonds outstanding were backed by €10 billion in mortgage loans at 15 February 2017, for a coverage ratio of 32%. Alongside this collateral, 3CIF had €1.65 billion in State-guaranteed deposits with the Banque de France.

Lastly, 3CIF and CIF Euromortgage have signed a new service agreement.

The Crédit Immobilier de France Group at 30 June 2017



B—ISSUES

3CIF has made one State-guaranteed securities issue of €650 million since 31 December 2016

C—PARTNERSHIP FOR THE PURPOSES OF MANAGEMENT AND COLLECTION

On 6 January 2017, the Group signed a firm agreement with the MCS group covering the programmed transfer of loan management and collection activities currently conducted by CIFD to the MCS group.

This operation, which satisfies the goals of maintaining the quality of those activities and saving jobs, complies with the orderly resolution plan.

D—GENERAL MANAGEMENT

Until the 28 June 2017, membership of the General Management was as follow:

- Jérôme Lacaille, Chief Executive Officer.
- Patrick Amat, Deputy Chief Executive Officer.

At its meeting on 28 June 2017, the Board of Directors appointed Olivier Airiau as Deputy Chief Executive Officer.

Jérôme Lacaille can be contacted at the following address:

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Phone : 33.1.70.91.36.89

e-mail : jerome.lacaille@3cif.fr

Olivier Airiau can be contacted at the following address:

3CIF 26/28, rue de Madrid, 75008 Paris

Phone : 33.1.70.91.37.17

e-mail : olivier.airiau@creditimmobilierdefrance.fr

Corporate Officers

Jérôme Lacaille and Olivier Airiau are both corporate officers as construed under Article L.511-13 of the CMF.

E— MERGER OF BANQUE PATRIMOINE ET IMMOBILIER WITH CIFD

In accordance with the Plan, the merger of BPI into CIFD completed the CIF Group's program of merging the financial operating subsidiaries with CIFD.

Preparations for the merger began in the second half of 2016 and continued in the first quarter of 2017. This operation was the fifth and last one in the program of merging the CIF Group's operational financial subsidiaries with CIFD.

The proposed merger was approved by the Boards of Directors of CIFD and BPI on 18 January 2017. Pending satisfaction of the suspensive conditions stipulated in the merger proposal, the merger become effective retroactively as from 1 January 2017 for accounting and tax purposes, and for legal purposes on 1 May 2017

F— FINANCIAL STATEMENTS

3CIF reported net banking income of €19.98 million in June 2017, up €3.15 million from €16.83 million in 2016.

3CIF reported gross operating income of €13.77 million in 2017 compared with €10.83 million in 2016.

The operating income amounted to €13.77 million in 2016 compared to €10.89 million in 2015.

After the writeback of an €0.041 million provision, income before tax and nonrecurring items amounted to €13.82 million.

3CIF reported net income of €10.22 million in June 2017 compared with €5.59 million in 2016.

Total assets amounted to €18.87 billion at 30 June 2017 compared with €16.17 billion at 30 June 2016.

Additionally, off-balance sheet commitments mainly comprise:

Commitments Given

- (3) €10 billion in guarantees given, as of 30 June 2017, compared with €1.63 billion at 30 June 2016 which correspond to credits granted by CIF Euromortgage which guarantees are governed by the Article L211.38
- (4) €72 million in other commitments given, comprising securities posted as collateral on a loan from Dexia with a face value of €70 million.

Commitments Received

- (2) €11.59 billion in guarantees received (compared with €3.43 billion at 30 June 2016), corresponding mainly to credits granted by 3CIF to CIFD which guarantees are governed by the Article L211.38.

The annual report of the Issuer for the year ended 31 December 2016 and the interim report at and for the six months ended 30 June 2017 may be obtained from the Issuer's Web site: <http://www.3cif.com>.

TAXATION

The statements herein regarding taxation are based on the laws in force in the European Union, France and/or the Grand Duchy of Luxembourg and/or federal tax laws of the United States, as the case may be, as of the date of this Programme and are subject to any changes in law. The following summary is based upon the law as in force at the date of this Information Memorandum and is subject to any change in law or interpretation thereof that may take effect after such date (potentially with a retroactive effect). It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the French, Luxembourg, United States, or, as the case may be, other tax consequences of any investment in or ownership or disposition of the Notes. The Issuer accepts no responsibility for updating the information set out below in the event of any legislative or regulatory changes.

FRENCH TAXATION

The following is a summary limited to certain withholding tax considerations in France relating to the Notes that may be issued under the Programme and held by Noteholders who do not otherwise hold shares of the Issuer or are otherwise affiliated with the Issuer within the meaning of Article 39-12 of the French Code Général des Impôts. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.

Payments of interest and other assimilated revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”) or paid to a bank account opened in a financial institution located in such a Non-Cooperative State, in which case a 75% withholding tax is applicable subject to exceptions, certain of which being set forth below, and to more favourable provisions of any applicable double tax treaty. The 75% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of the Non-Cooperative States is published by a ministerial executive order, which is in principle updated on a yearly basis.

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such Notes are not deductible from the Issuer’s taxable income *inter alia* 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 (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as deemed distributions pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts*, at a rate of 30% or 75% (subject to exceptions and to the more favourable provisions of any 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* nor, to the extent the relevant interest or assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion nor the withholding tax set out in Article 119 bis 2 of the French *Code général des impôts* will apply in respect of the issue of the Notes if the Issuer can prove that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount and that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”).

In addition, pursuant to Article 125 A III of the French *Code général des impôts* as modified by French law no. 2009-1674, dated 30 December 2009 and the *Bulletins officiels des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211 and BOI-IR-DOMIC-10-20-20-60-

20150320, payments of interest and other assimilated revenues on the Notes made by the Issuer in its capacity as issuer of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes if such notes are, inter alia:

- (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 (as defined below). For this purpose, an «equivalent offer» means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (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 provided further that the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign 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 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 depository or operator is not located in a Non-Cooperative State.

Pursuant to Article 125 A of the *Code général des impôts*, subject to certain exceptions, interest and assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at a global rate of 15.5 per cent. on such interest and assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

See “*Terms and Conditions of the Notes – Taxation*”.

LUXEMBOURG TAXATION

The following discussion contains a description of certain material Luxembourg income tax considerations that may be relevant to the purchase, ownership and disposition of Notes by a Noteholder. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective Noteholders should consult their own tax advisers as to which countries’ tax laws could be relevant to acquiring, holding and disposing of the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon tax laws of Luxembourg as in effect on the date of this Information Memorandum, which are subject to change, possibly with retroactive effect, and to differing interpretations. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

*Please be aware that the residence concept used in the headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers only to Luxembourg tax law and/or concepts. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur les revenus des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l’emploi*), as well as personal income tax (*impôt sur les revenus*). Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may also apply.*

Withholding tax - Luxembourg non-residents

Under the Luxembourg tax laws currently in effect, there is no withholding tax on payments of interests (including accrued but unpaid interest) made to a Luxembourg non-resident Noteholder. There is also no Luxembourg withholding tax upon repayment of the principal, or upon redemption or exchange of the Notes.

Withholding tax- Luxembourg residents

According to the amended Luxembourg law of 23 December 2005 (the “**December 2005 Law**”), a 20 per cent. withholding tax is due on interest payments made by Luxembourg paying agents to or for the immediate benefit of Luxembourg individual resident Noteholders. Only interest accrued after 1 July 2005 but paid after 1 January 2006 falls within the scope of this withholding tax. Income (other than interest) from investment funds and from current accounts provided that the interest rate is not higher than 0.75 per cent. are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempted from the withholding tax.

Pursuant to the December 2005 Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 20 per cent. levy on interest payments made after 31 December 2007 by paying agents (as such term is defined in the directive 2003/48/EC on taxation of savings income in the form of interest payments) located in an Member State of the European Union other than Luxembourg, a Member State of the European Economic Area other than an Member State of the European Union,. In such case, the 20% levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 20% levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

The 20 per cent. withholding tax as described above or the 20 per cent. levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the December 2005 Law, as amended, is assumed by the Luxembourg paying agent and not by the Issuer (unless the Issuer acts as a paying agent).

Income tax on principal, interest, gains on sales or redemption

Non-resident Noteholders

Noteholders who are non-residents of Luxembourg and who do not have a permanent establishment, a permanent representative or a fixed place of business in Luxembourg with which/whom the holding of the Notes is connected, will not be subject to taxes (income taxes and net wealth tax) or duties in Luxembourg with respect to payments of principal or interest (including accrued but unpaid interest), payments received upon redemption, repurchase or exchange of the Notes or capital gains realised upon disposal or repayment, in any form whatsoever, of the Notes.

Noteholders who are non-residents of Luxembourg, who have a permanent establishment, a permanent representative or a fixed place of business in Luxembourg to which/whom the Notes are attributable are subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

Luxembourg resident corporate Noteholders

Luxembourg resident corporate Noteholders must include any interest received or accrued, as well as any gain realised on the disposal of the Notes, in their taxable income for Luxembourg income tax assessment purposes. Noteholders who have a permanent establishment, a permanent representative or a fixed place of business in Luxembourg with which the holding of the Notes is connected, must for income tax purposes include any interest received or accrued as well as the difference between the sale or redemption price and the

book value of the Notes sold or redeemed in their taxable income for Luxembourg tax assessment purposes. They will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate Noteholders which are companies benefiting from a special tax regime (such as family estate management companies subject to the amended law of 11 May 2007, undertakings for collective investment subject to the amended law of 17 December 2010, specialised investment funds subject to the amended law of 13 February 2007 or reserved alternative investment funds treated as specialized investment funds for Luxembourg tax purposes subject to the law of 23 July 2016) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (*i.e.* corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid-up) share capital (and share premium) or net asset value.

Luxembourg resident individual Noteholders

A resident individual Noteholder acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes. If applicable, the tax levied in accordance with the December 2005 Law will be credited against his/her final tax liability.

A resident individual Noteholder acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, accrued but unpaid interest in case of disposal of the Notes, redemption premiums or issue discounts under the Notes except if (i) the 20 per cent. final withholding tax has been levied on such payments in accordance with the December 2005 Law or (ii) the individual Noteholder has opted for the application of a 20 per cent. levy in full discharge of income tax in accordance with the December 2005 Law.

Under Luxembourg domestic tax law, Luxembourg resident individual Noteholders who act in the course of the management of their private wealth, are not subject to taxation on capital gains upon the disposition of the Notes, unless the disposition of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of these Notes. Upon a redemption of the Notes, individual Luxembourg resident Noteholders must however include the portion of the redemption price corresponding to accrued but unpaid interest in their taxable income.

Net wealth tax

Luxembourg net wealth tax will be levied on a Luxembourg resident Noteholder, as well as a non-resident Noteholder who has a permanent establishment, a permanent representative or a fixed place of business in Luxembourg to which the Notes are attributed, unless the Noteholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the amended law of 17 December 2010, (iii) a specialised investment fund governed by the amended law of 13 February 2007 (iv) a securitisation company governed by the amended law of 22 March 2004 on securitisation; (v) an investment company in risk capital governed by the amended law of 15 June 2004; (vi) a family wealth management company governed by the amended law of 11 May 2007 on family estate management companies; (vii) a professional pension institution governed by the amended law of 13 July 2005; or (viii) a reserved alternative investment fund opting to be treated as a venture capital vehicle for Luxembourg tax purposes governed by the law of 23 July 2016. However, a minimum net wealth tax applies for (i) a securitization company governed by the amended law of 22 March 2004 on securitisation; (ii) an investment company in risk capital governed by the amended law of 15 June 2004; (iii) a professional pension institution governed by the amended law of 13 July 2005, and (iv) a reserved alternative investment funds opting to be treated as a venture capital vehicle for Luxembourg tax purposes and governed by the law of 23 July 2016.

Luxembourg net wealth tax has been abolished for individual Noteholders as from the year 2006.

Other taxes

No stamp, registration, transfer or similar taxes or duties will be payable in Luxembourg by Noteholders in connection with the issue of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption of the Notes.

Where Noteholders resident in Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes. Noteholders not resident in Luxembourg at their time of death will not be subject to inheritance or other similar taxes in Luxembourg in respect of the Notes. Gift tax may be due on a gift or donation of the Notes, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

Residence

Noteholders will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Notes.

All prospective Noteholders should seek independent advice as to their tax positions.

SUBSCRIPTION AND SALE

Deutsche Bank AG, Paris Branch (the “**Arranger**”), BNP Paribas, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Goldman Sachs International, HSBC France, Natixis and Société Générale (together, the “**Dealers**”) have in a programme agreement dated 29 November 2017 (the “**Programme Agreement**”, which expression includes the same as it may be updated or supplemented from time to time) agreed with the Issuer a basis upon which they (or any one of them) may from time to time agree to purchase Notes.

The following selling restrictions may be modified by the Issuer and the relevant Dealers following a change in the relevant law, regulation or directive and in certain other circumstances as may be agreed between the Issuer and the relevant Dealers. Any such modification will be set out in the Pricing Supplement and (if applicable) the subscription agreement in respect of the Tranche to which it is related or in a supplement to this document.

United States

Selling Restrictions

The Notes and the State Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

The Notes form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution, as determined and certified to the Fiscal Agent by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of such Tranche, within the United States or for the account or benefit of, U.S. persons and it have sent to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

United Kingdom

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

- (i) 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 any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer;

- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom; and
- (iii) in relation to any Notes which have a maturity of less than one year (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer.

France

Each of the Dealers has represented and agreed and each further Dealer under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Information Memorandum, the relevant Pricing Supplement 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*), 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*.

Belgium

The Notes are not intended to be sold to Belgian Consumers. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to Belgian Consumers, and has not distributed or caused to be distributed and will not distribute or cause to be distributed, the Information Memorandum, the relevant Pricing Supplement or any other offering material relating to the Notes to Belgian Consumers.

For these purposes, a “**Belgian Consumer**” has the meaning provided by the Belgian Code of Economic Law, as amended from time to time (*Wetboek van 28 februari 2013 van economisch recht/Code du 28 février 2013 de droit économique*), being any natural person resident or located in Belgium and any acting for purposes which are outside his/her trade, business or profession.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

General

Each Dealer has agreed and each other Dealer appointed under the Programme will be required to agree that it will to the best of its knowledge and belief comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Information Memorandum or any offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold 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 any such sale.

With regard to each Tranche, the relevant Dealer(s) will be required to the best of its knowledge and belief to comply with such other restrictions as the Issuer and the relevant Dealer(s) shall agree and as shall be set out in the relevant Pricing Supplement.

GENERAL INFORMATION

1. A decision of the Board of Directors of the Issuer dated 12 April 2017 authorises the Issuer to issue securities in a maximum amount of €13,000,000,000 or its equivalent value for one year, commencing from 1 July 2017.
2. The State Guarantee granted by The Republic of France was signed on 27 November 2013 by the Minister of the Economy and Finance (*le Ministre de l'Economie et des Finances*) acting pursuant to Article 108 of the *Loi no 2012-1509 du 29 décembre 2012 de finances pour 2013*.
3. Except as disclosed in the section entitled "Recent Developments" on page 114 of this Information Memorandum, no significant change has occurred in the financial position and trading position of the Issuer of the CIF Group since 30 June 2017 and no material adverse change has occurred in the prospects of the Issuer or of the CIF Group since the date of its last published audited financial statements, being 31 December 2016. The latest audited financial information is the December 2016 annual financial statements and the last unaudited financial information is the June 2017 semi-annual financial statements. The Issuer does not prepare quarterly financial statements.
4. Neither the Issuer nor any member of the CIF Group is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or any member of the CIF Group is aware), during the period covering at least the 12 month prior to the date of this Information Memorandum which may have, or have had in the recent past, significant effects on the Issuer and/or the CIF Group's financial position or profitability.
5. Each Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
6. Notes have been accepted for clearance through the Euroclear and Clearstream systems. The Common Code and the International Securities Identification Number (ISIN) for each Series of Notes will be set out in the relevant Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Pricing Supplement.

7. For as long as any Notes issued under this Programme are outstanding, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified offices of the Paying Agent (free of charge) for the time being in London (where applicable, with an English translation thereof):
 - (i) the constitutional documents (with an English translation thereof) of the Issuer;
 - (ii) the financial statements of the Issuer incorporated by reference in this Information Memorandum together with the relevant audit and limited review reports prepared in connection therewith;
 - (iii) the Agency Agreement, the Deed of Covenant, the forms of Global Notes, the definitive Notes, the Receipts, the Coupons and the Talons;
 - (iv) a copy of this Information Memorandum;
 - (v) any future supplement to this Information Memorandum or Pricing Supplement to this Information Memorandum and any other documents incorporated herein or therein by reference; and
 - (vi) the State Guarantee.

8. For the period of 12 months following the date of the publication of this Information Memorandum, copies of the following documents will be available on the website of the Luxembourg Stock Exchange (*www.bourse.lu*):
 - (i) a copy of this Information Memorandum; and
 - (ii) any future Pricing Supplement to this Information Memorandum and any other documents incorporated herein or therein by reference.
9. The Issuer has not entered into any contracts outside the ordinary course of business and which could result in the Issuer not being able to meet its obligations to Noteholders.
10. 3CIF's financial statements for the year ended 31 December 2016 have been audited by the independent auditors without qualifications. Nevertheless, the auditor's report for the 2016 financial statements, without qualifying the opinion of the auditors, draws attention to the matters set out in Notes 1.1 "State guarantee" and 2.1 "Going concern".

3CIF's financial statements for the year ended 31 December 2015 have been audited by the independent auditors without qualifications. Nevertheless, the auditor's report for the 2015 financial statements, without qualifying the opinion of the auditors, draws attention to the matters set out in Notes 1.1 "State guarantee", 1.4 "Events occurring after the balance sheet date", 2.1 "Going concern" and 3.1 "Related Party Transactions" to the 2015 financial statements.

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