

## Offering Circular



Wallonie

Région wallonne

€ 2,000,000,000

### Euro Medium Term Note Programme

#### For the issuance of Euro Medium Term Notes

This Offering Circular dated 2 May 2012 constitutes a simplified base prospectus for the purposes of Chapter 2 of Part III of the Luxembourg Act dated 10 July 2005 on prospectuses for securities (the **Luxembourg Act**). It does not constitute a prospectus pursuant to Part II of the Luxembourg Act implementing Directive 2003/71/EC (the **Prospectus Directive**) into Luxembourg law. Accordingly, this Offering Circular does not purport to meet the format and the disclosure requirements of the Prospectus Directive and Commission Regulation (EC) No.809/2004 implementing the Prospectus Directive, and it has not been, and will not be, submitted for approval to any competent authority within the meaning of the Prospectus Directive (which for Luxembourg is the *Commission de Surveillance du Secteur Financier*). The Notes issued pursuant to this Offering Circular will therefore not qualify for the benefit of the single European passport to the Prospectus Directive.

Application may be made to the Luxembourg Stock Exchange during a period of up to twelve (12) months from the date of this Offering Circular for Notes (as defined below) issued under the Euro Medium Term Note Programme described in this Offering Circular (the **Programme**) to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive 2004/39/EC of 21 April 2004 (each such market being a **Regulated Market**). The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The relevant Final Terms (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Luxembourg Stock Exchange (or any other stock exchange).

The Notes will be created, cleared and settled in the clearing system operated by the National Bank of Belgium or any successor thereto (the **Securities Settlement System**) pursuant to the law of 6 August 1993 on transactions in certain securities (*Loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*) (the **Law of 6 August 1993**). Euroclear Bank NV/SA as operator of the Euroclear System (**Euroclear**) and Clearstream Banking, société anonyme, Luxembourg (**Clearstream Luxembourg**) maintain accounts in the Securities Settlement System. The clearing of the Notes through the Securities Settlement System is subject to prior approval of the National Bank of Belgium. Under the Programme, Notes will not be issued for so long as they may not be cleared through the Securities Settlement System.

Under the Programme Région wallonne (the **Issuer**) may from time to time issue Notes (hereinafter each a **Note** and together the **Notes**) denominated in any currency, to the discretion of the Issuer as may be agreed by the Issuer and the relevant Dealer (as defined below), provided that Notes in such currency may be cleared and settled in the Securities Settlement System, and subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Securities Settlement System exclusively clears securities denominated in currencies for which the European Central Bank daily publishes Euro foreign exchange reference rates. The aggregate nominal amount of Notes outstanding will not at any time exceed €

2,000,000,000 (or the equivalent in other currencies). The Notes will have maturities as described in this Offering Circular and the relevant Final Terms (as defined below). The Notes, which may be issued at their principal amount or at a premium over or discount to their principal amount, may bear interest on a fixed or floating rate or index or formula linked basis or be issued on a fully discounted basis and not bear interest, and the amount payable upon redemption of the Notes may be fixed or variable or index or formula linked. Notes may be issued on a fully or partly paid basis. Notes may provide that they will be redeemed in instalments.

The Notes will be issued to one or more of the Dealers specified in "*Overview of the Programme*" (hereinafter each a **Dealer** and together the **Dealers**, which expression shall include any additional Dealer appointed under the Programme from time to time) on a continuing basis.

**CO-ARRANGERS**

**BNP PARIBAS FORTIS**

**ING COMMERCIAL BANKING**



**BNP PARIBAS  
FORTIS**



**DEALERS**

**BARCLAYS  
BELFIUS  
BNP PARIBAS FORTIS  
CBC Banque SA**

**Deutsche Bank  
HSBC France  
ING COMMERCIAL BANKING  
KBC Bank NV**

The date of this Offering Circular is 2 May 2012

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## IMPORTANT NOTICE

The Issuer has prepared this Offering Circular for the purpose of giving information with regard to the Programme and the Notes to be issued under the Programme.

The Programme is governed by and construed in accordance with the laws of Belgium. More specifically, the Notes will be issued either in dematerialised form governed by the law of 2 January 1991 on the public debt securities market and instruments of monetary policy (*Loi relative au marché des titres de la dette publique et aux instruments de la politique monétaire*) (the **Law of 2 January 1991**) as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes (*billets de trésorerie*) governed by the law of 22 July 1991 on treasury notes and certificates of deposit (*Loi relative aux billets de trésorerie et aux certificats de dépôt*) (the **Law of 22 July 1991**) and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time. The Notes cannot be physically delivered.

The Issuer confirms that the statements contained in this Offering Circular are in every material respect true and accurate and not misleading, that this Offering Circular does not contain any untrue statement of any material fact and is not misleading in any material respect, that this Offering Circular does not omit to state any material fact necessary to make the statements herein or to enable the potential investors to make an informed assessment of the Issuer and the Notes, in the context in which they are made, not misleading and that all reasonable inquiries have been made with all due diligence to ascertain the facts and to verify the accuracy of all such statements. The Issuer accepts responsibility for the information contained in this Offering Circular accordingly.

This Offering Circular includes the "prospectus" referred to in article 5 of the Law of 22 July 1991.

The Co-Arrangers and the Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Co-Arrangers and the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme. Neither the Co-Arrangers nor any Dealer accepts any liability in relation to the information contained in this Offering Circular or any other information provided by the Issuer in connection with the Programme.

No dealer, salesman or other person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other document entered into in relation to the Programme or any information supplied by the Issuer and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer.

The Notes will be issued on the terms of this Offering Circular and the relevant Final Terms.

The delivery of this Offering Circular at any time does not imply the information herein is correct as of any time subsequent to the date of this Offering Circular. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. This Offering Circular does not constitute and may not be used for the purposes of an offer of or an invitation by or on behalf of the Issuer or the Dealers to subscribe for or purchase any of the Notes.

Neither this Offering Circular nor any further information supplied in connection with the Notes are intended to provide the basis of any credit or other evaluation and should not be considered as recommendations by the Issuer and/or any of the Dealers that any recipient of this Offering Circular or of any further information supplied in connection with the Notes should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. The Issuer and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any

responsibility for facilitating any such distribution or offering. Persons into whose possession this Offering Circular comes are required by the Issuer to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on offering and sale of the Notes and on distribution of this Offering Circular, see below under section "*Subscription and Sale*".

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and will only be sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and, absent registration under the Securities Act, may only be offered or sold in the United States to an available exemption from such registration requirements.

In this Offering Circular all references to decrees, royal decrees, decisions of the Walloon government, income tax codes and laws are to such decrees, royal decrees, decisions of the Walloon government, income tax codes and laws, as amended from time to time.

In connection with this Programme, one or more Dealers could be appointed as stabilisation manager(s) (hereinafter the **Stabilisation Managers**) in the relevant Final Terms. Stabilisation Managers or any person acting for them 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 Stabilisation Managers (or any person acting for them) 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 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 Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over allotment shall be conducted in accordance with all applicable laws and rules.

## RISK FACTORS

Investing in the Notes may entail several risks. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In case of doubt, potential investors should consult their financial and legal advisors about the risks of investing in the Notes and the suitability of this investment in light of their particular situation. In particular and without limitation, each potential investor should:

- (A) have sufficient knowledge and experience to understand the specific merits and risks of a sovereign issuer and Région wallonne in particular as regards, *inter alia*, the impact of the general economic climate on the Belgian banks and on the future financing needs for the sovereigns, the current challenges of the sovereign issuers of the Euro zone, the possible difficulty to obtain or enforce judgements against sovereign regions and the precise scope of the Butterfly Agreement (the 6th State Reform in Belgium) and its impact on the competence transfers and on the new finance act;
- (B) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (C) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (D) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (E) understand thoroughly that the value of the Notes may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events, including factors affecting capital markets generally and the stock exchange(s) on which the Notes are traded;
- (F) understand thoroughly that in the event of a default by Région wallonne, they might not receive the amounts to which they would have been entitled to and could lose all or part of the capital invested;
- (G) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices, credit risks and financial markets; and
- (H) be able to fully 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.

The risks described above are not the only ones that Région wallonne faces or that relate to an investment in the Notes. Additional risks (i) that are not currently known to Région wallonne or, (ii) that are currently known to Région wallonne but that it believes are immaterial, may also adversely affect it. Many of these risks are interrelated and occur under similar economic conditions, and the occurrence of certain of them may in turn cause the emergence, or exacerbate the effect, of others. Such a combination could materially increase the severity of the impact on Région wallonne. As a result, should certain of these risks emerge, Région wallonne may need to raise additional funds through borrowing in the internal or external capital markets, and there is no assurance that Région wallonne will be able to borrow needed funds on terms that it considers acceptable or at all.

## DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed together with any amendments or supplements to this Offering Circular, the relevant Final Terms, the description of the Issuer that is included in a separate document dated 2 May 2012 (the **Description of the Issuer**) that is available on the website of the Issuer at [www.wallonie.be](http://www.wallonie.be) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu) and, the budget of the Issuer as annually determined in the Decree of Région wallonne on the Région wallonne budget for the respective budget year (*Décret contenant le budget des recettes de la Région wallonne pour l'année budgétaire respective*) (**the Budget**) which documents shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. All documents incorporated by reference in this Offering Circular are available on the website of the Issuer at [www.wallonie.be](http://www.wallonie.be) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu) or, may be obtained, free of charge, at the office of the Paying Agent set out at the end of this Offering Circular during normal business hours so long as any of the Notes are outstanding.

## **SUPPLEMENTAL OFFERING CIRCULAR**

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme, there is a significant change affecting any matter contained in this Offering Circular (including the "Terms and Conditions of the Notes") whose inclusion would reasonably be required by investors and their professional advisers, and would reasonably be expected by them to be found in this Offering Circular, for the purpose of making an informed assessment of the assets and liabilities, financial position and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Offering Circular or publish a replacement Offering Circular for use in connection with any subsequent offering of Notes and shall supply to each Dealer such number of copies of such amendment or supplement hereto as such Dealer may reasonably request.

Furthermore, following the publication of this Offering Circular a supplement may be prepared by the Issuer and approved by the Luxembourg Stock Exchange in accordance with Part III, Chapter 2, Article 55 of the Luxembourg Act. 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 Offering Circular or in a document which is incorporated by reference in the Offering Circular.

All documents prepared in connection with the listing of the Programme will be available at the specified office of the Domiciliary Agent.



## DESCRIPTION OF THE PROGRAMME

### General

The Issuer may from time to time (and within the framework of this Offering Circular) issue Notes which are Fixed Rate Notes, Floating Rate Notes, Index-Linked Notes, Zero Coupon Notes, Range Accrual Notes and any other form of Notes to be issued at the discretion of the Issuer, denominated in any currency as determined in accordance with this Offering Circular (and the relevant Final Terms). The Notes will have maturities between one month and fifty years as specified in the relevant Final Terms.

The applicable terms of the Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be specified in the relevant Final Terms. All amendments and supplements to this Offering Circular prepared by the Issuer from time to time shall be deemed to be incorporated in, and to form part of, this Offering Circular, provided however, that any statement contained in this Offering Circular or in any of the documents incorporated by reference in, or forming part of, this Offering Circular (such as but not limited to the Final Terms) shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

The Issuer will, at the specified office of the Paying Agent (as defined below), provide, free of charge, upon oral or written request, a copy of this Offering Circular and of the relevant Final Terms. Written or oral requests for such documents should be directed to the specified office of the Paying Agent.

### Listing

Application may be made to the Luxembourg Stock Exchange during a period of twelve (12) months from the date of this Offering Circular for Notes (as defined below) issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive 2004/39/EC of 21 April 2004 (each such market being a **Regulated Market**). The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The relevant Final Terms (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Luxembourg Stock Exchange (or any other stock exchange).

### Dealers

The Issuer may appoint one or more persons as Dealer(s) for the purpose of purchasing a specific tranche of Notes as principal (on either a syndicated or non-syndicated basis) for resale to others. Such appointment shall be limited to the tranche in respect of which such person(s) is (are) appointed Dealer(s) and shall not extend to other tranches.

### Dematerialised Notes

The Notes will be issued either in dematerialised form governed by the law of 2 January 1991 on the public debt securities market and instruments of monetary policy (*Loi relative au marché des titres de la dette publique et aux instruments de la politique monétaire*) (the **Law of 2 January 1991**) as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes (*billets de trésorerie*) governed by the law of 22 July 1991 on treasury notes and certificates of deposit (*Loi relative aux billets de trésorerie et aux certificats de dépôt*) (the **Law of 22 July 1991**) and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time. The Notes cannot be physically delivered. No certificates representing the Notes will be issued. The Notes will be accepted for clearance through the Securities Settlement System (as hereafter defined) and will accordingly be subject to the Settlement System Regulations (as hereafter defined). The Notes will be represented by book entries in the records of the Securities Settlement System or of an approved account holder within the meaning of Article 3 of the Law of 2 January 1991. The Noteholders will not be entitled to exchange the Notes into definitive notes in bearer or registered form.

## Clearing and Settlement

The Notes will be created, cleared and settled in the clearing system operated by the National Bank of Belgium or any successor thereto (the **Securities Settlement System**). The Notes will be cleared through the X/N accounts system organised within the Securities Settlement System in accordance with the law of 6 August 1993 on transactions in certain securities (*Loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*) (the **Law of 6 August 1993**), the Royal Decree of 26 May 1994 on the deduction of withholding tax (*Arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier conformément au chapitre Ier de la loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*) (the **Royal Decree of 26 May 1994**) and the Royal Decree of 14 June 1994 holding recognition of a clearing system with regard to the entry into effect of Chapter I of the law of 6 August 1993 on certain transactions in securities (*Arrêté royal du 14 juin 1994 portant agrément d'un système de liquidation pour la mise en œuvre du chapitre Ier de la loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*) (the **Royal Decree of 14 June 1994**), each as amended and the rules of the Securities Settlement System and its annexes, as issued or modified by the National Bank of Belgium from time to time (the laws, decrees and rules mentioned herein being referred to as the **Settlement System Regulations**). Access to the Securities Settlement System is available through participants whose membership extends to securities such as the Notes (the **Participants**). Participants include certain banks, stockbrokers and Euroclear Bank NV/SA (**Euroclear**) and Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**). The clearing of the Notes through the Securities Settlement System must receive the prior approval of the National Bank of Belgium. Settlement will take place on a “delivery versus payment” basis in accordance with the Settlement System Regulations.

Under the Programme, Notes will not be issued for so long as they may not be cleared through the Securities Settlement System.

## SUMMARY OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Series (as defined in "Terms and Conditions of the Notes" below) of Notes, the applicable Final Terms. Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this summary.*

<b>Issuer:</b>	Région wallonne
<b>Domiciliary Agent and Paying Agent:</b>	Dexia Bank NV/SA acting under the commercial name of Belfius
<b>Description:</b>	Euro Medium Term Note Programme ( <b>the EMTN Programme or the Programme</b> )
<b>Euro Medium Term Note:</b>	Please refer to Note(s).
<b>Co-Arrangers:</b>	Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis  ING Belgium SA/NV acting under the commercial name of ING Commercial Banking
<b>Calculation Agent:</b>	As indicated under the relevant Final Terms
<b>Dealers:</b>	Barclays Bank PLC  CBC Banque SA Deutsche Bank acting through Deutsche Bank AG, London Branch  Dexia Bank NV/SA acting under the commercial name of Belfius  Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis  HSBC France  ING Belgium SA/NV acting under the commercial name of ING Commercial Banking  KBC Bank NV  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. Reference to <b>Dealers</b> are to all dealers listed above and all persons appointed as a dealer in respect of one or more Tranches or in respect of the whole Programme.
<b>Form of Notes:</b>	The Notes will be issued either in dematerialised form governed by the law of 2 January 1991 on the public debt securities market and instruments of monetary policy ( <i>Loi relative au marché des titres de la dette publique et aux instruments de la politique monétaire</i> ) (the <b>Law of 2 January 1991</b> ) as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes ( <i>billets de trésorerie</i> ) governed by the law of 22 July 1991 on treasury notes and certificates of deposit ( <i>Loi relative aux billets de trésorerie et aux certificats de dépôt</i> ) (the <b>Law of 22 July 1991</b> ) and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time.

The Notes cannot be physically delivered. No certificates representing the Notes will be issued. The Notes are accepted for clearance through the Securities Settlement System and are accordingly subject to the Settlement System Regulations. The Notes will be represented by book entries in the records of the Securities Settlement System or of an approved account holder within the meaning of Article 3 of the Law of 2 January 1991. The Noteholders will not be entitled to exchange the Notes into definitive notes in bearer or registered form.

**Note(s):** Debt securities either in dematerialised form governed by the Law of 2 January 1991 as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes (*billets de trésorerie*) governed by the Law of 22 July 1991 and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time, which the Issuer may from time to time issue in accordance with the provisions of this Offering Circular and the relevant Final Terms.

**Currencies:** Notes may be denominated in any currency, to the discretion of the Issuer as may be agreed by the Issuer and the relevant Dealer (as defined below), provided that Notes in such currency may be cleared and settled in the Securities Settlement System and subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Payments in respect of Notes may, subject to such compliance and if so provided for in the Final Terms, be linked to, any currency or currencies other than the currency in which such Notes are denominated.

The Securities Settlement System exclusively clears securities denominated in currencies for which the European Central Bank daily publishes Euro foreign exchange reference rates.

**Programme Amount / Limit:** € 2,000,000,000 (or the equivalent in foreign currencies)

**Issuance in Series:** The Notes will be issued on a syndicated or non-syndicated basis. Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the Issue Date, the Interest Commencement Date and/or the Issue Price may be different. The Notes of each Tranche will have the same Issue Date.

**Final Terms:** The terms of the Notes will be specified in the applicable Final Terms which, for the purposes of the relevant Notes only, supplements the Terms and Conditions set out in the Offering Circular and must be read in conjunction with this Offering Circular.

**Maturities:** Any maturity between one month and fifty years, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, as set out in the applicable Final Terms.

**Denominations** Notes will have a denomination of one unit of the currency in which they are denominated.

If issued under the form of treasury notes (*billets de trésorerie*), Notes will have a minimum denomination of €250,000 and may only be traded in any nominal amount equal or in excess of €250,000 (or its equivalent in other currencies). However, Notes issued under the form of treasury notes (*billets de trésorerie*) to investors which qualify as

public administrations (*administrations publiques*) pursuant to article 6 of the Belgian Royal Decree of 14 October 1991 will have a minimum denomination of €100,000 and may be traded in any nominal amount equal or in excess of €100,000 (or its equivalent in other currencies).

Notes which are issued in dematerialised form governed by the Law of 2 January 1991 as made applicable to the Issuer, may be issued in denominations of minimum EUR 100,000.

<b>Status of Notes:</b>	The Notes will constitute direct, unconditional, general, unsubordinated and unsecured obligations of the Issuer, ranking <i>pari passu</i> with all present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
<b>Clearing Systems:</b>	The Notes will be created, cleared and settled in the Securities Settlement System. Settlement will take place on a "delivery versus payment" basis in accordance with the current Securities Settlement System. Under the Programme, Notes will not be issued for so long as they may not be cleared through the Securities Settlement System.
<b>Payments</b>	All payments in euro in respect of the Notes will be made through the Domiciliary Agent and the Securities Settlement System in accordance with the Settlement System Regulations and all payments in a currency other than euro in respect of the Notes will be made through the Domiciliary Agent and Euroclear and/or Clearstream, Luxembourg.
<b>Redemption and Interest Payments:</b>	<p>The Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or may be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Notes.</p> <p>Interest periods, rates of interest and the terms of and/or amounts payable on redemption may differ depending on the Notes being issued and such terms will be specified in the applicable Final Terms.</p>
<b>Fixed Rate Notes:</b>	Fixed interest will be payable on such date or dates as specified in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as specified in the applicable Final Terms.
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"><li>(i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency, governed by an agreement incorporating the 2006 ISDA Definitions (published by the International Swaps and Derivatives Association Inc., and as amended and updated as at the Issue Date of the relevant Series of Notes);</li><li>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service;</li><li>(iii) or on any other basis as indicated in the relevant Final Terms.</li></ul> <p>The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.</p>
<b>Index-Linked Notes:</b>	Payments in respect of Index-Linked Notes will be calculated by

reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the relevant Final Terms. Index-Linked Redemption Notes and Index-Linked Interest Notes constitute Index-Linked Notes.

Index Linked Notes will not be issued for as long as they may not be cleared through the Securities Settlement System.

**Index-Linked Interest Notes:**

Payments of interest in respect of Index-Linked Interest Notes will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the relevant Final Terms.

**Index-Linked Redemption Notes:**

Payments of principal in respect of Index-Linked Redemption Notes will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the relevant Final Terms.

**Other provisions with respect to Floating Rate Notes and Index-Linked Interest Notes:**

Floating Rate Notes and Index-Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both, as indicated in the relevant Final Terms.

Interest on Floating Rate Notes and Index-Linked Interest Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates specified in, or determined pursuant to, the relevant Final Terms and will be calculated on the basis of the such Day Count Fraction as is indicated in the relevant Final Terms.

**Zero Coupon Notes:**

Zero Coupon Notes will be offered and sold at a discount to their principal amount and will not bear interest other than in relation to interest due after the Maturity Date.

**Range Accrual Notes:**

Payments of interest in respect of Range Accrual Notes will be partially or entirely determined by an embedded range accumulation option, which is specified in the relevant Final Terms. The calculation of the (possible) interest which the Range Accrual Notes could bear, will be subject to the performance of the underlying reference index (e.g. currency exchange rates, interest rates and any other reference index) which is determined in the relevant Final Terms.

**Listing and admission to trading:**

Application may be made to the Luxembourg Stock Exchange during a period of up to twelve (12) months from the date of this Offering Circular for Notes issued under this Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive 2004/39/EC of 21 April 2004 (each such market being a **Regulated Market**). The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The relevant Final Terms (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Luxembourg Stock Exchange (or any other stock exchange).

**Purchase:**

The Issuer may purchase or otherwise acquire Notes in the open market

and, at the option of the Issuer, such Notes may be held to maturity by the Issuer or cancelled without notice or resold.

**Redenomination:**

The relevant Final Terms may provide that certain Notes may be redenominated in euro, in accordance with the provisions set out in the relevant Final Terms.

**Withholding Tax:**

All payments by or on behalf of the Issuer of principal and interest on the Notes will be made without deduction of Belgian withholding tax for the Notes held by Tax Eligible Investors (as defined below) in an exempt securities account (an **Exempt Account** or **X-Account**) with the Securities Settlement System. Otherwise, Belgian withholding tax will be applicable to the interest on the Notes at the rate of 21 per cent, possibly reduced pursuant to a tax treaty, on the gross amount of interest. Withholding tax does not include the 4% additional tax on investment income which may in certain circumstances be levied at source on interest on the Notes held by individuals subject to Belgian personal income tax.

**Tax Eligible Investors**

Investors falling within the categories of Article 4 of the Royal Decree of 26 May 1994, see *Taxation in Belgium*

**Issue Price:**

Notes may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Final Terms.

**Governing Law and Jurisdiction:**

The Notes are governed by and construed in accordance with the laws of the Kingdom of Belgium. The Brussels courts have exclusive jurisdiction in relation to issues relating to the issuance of the Notes. Legal proceedings will be held in the French language.

**Negative Pledge**

None

**Gross-Up:**

None

**Cross-default:**

Applicable, as set out in clause 13 of the Terms and Conditions of the Notes.

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the United States and the United Kingdom and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".

Notes having a maturity of more than one year will be issued in compliance with U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(C) (the **C Rules**).

The United States Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) does not apply to Notes with a maturity of less than one year.

Certain forms of Notes may only be offered and sold to Tax Eligible Investors, as will be specified in the relevant Final Terms. This for example applies to Notes with a maturity of more than one year which are issued in tranches when the actuarial return of one tranche exceeds the actuarial return from the initial issue until maturity by more than 0.75 points.

## FORM OF THE NOTES

The Notes will be issued either in dematerialised form governed by the law of 2 January 1991 on the public debt securities market and instruments of monetary policy (*Loi relative au marché des titres de la dette publique et aux instruments de la politique monétaire*) (the **Law of 2 January 1991**) as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes (*billets de trésorerie*) governed by the law of 22 July 1991 on treasury notes and certificates of deposit (*Loi relative aux billets de trésorerie et aux certificats de dépôt*) (the **Law of 22 July 1991**) and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time.

The Notes cannot be physically delivered. No certificates representing the Notes will be issued. The Notes are accepted for clearance through the Securities Settlement System and are accordingly subject to the Settlement System Regulations. The Notes will be represented by book entries in the records of the Securities Settlement System or of an approved account holder within the meaning of Article 3 of the Law of 2 January 1991. The Noteholders will not be entitled to exchange the Notes into definitive notes in bearer or registered form.



## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes. The relevant Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following terms and conditions, replace or modify the following terms and conditions for the purpose of such Notes.*

### 1. Introduction

- (a) *Programme*: Région wallonne (the **Issuer** or **Région wallonne**) has established a Euro Medium Term Note Programme (hereinafter the **Programme**) for the issuance of debt securities in dematerialised form governed by the Law of 2 January 1991 as made applicable to debt securities issued by Région wallonne and dematerialised treasury notes (*billets de trésorerie*) governed by the Law of 22 July 1991 and the Royal Decree of 14 October 1991 on the same subject, all as amended from time to time (hereinafter the **Notes**).
- (b) *Final Terms*: Notes issued under the Programme are issued in series (hereinafter each a **Series**) and each Series may comprise one or more tranches (hereinafter each a **Tranche**) of Notes. Each Series is the subject of a Final Terms (hereinafter the **Final Terms**) which supplements these terms and conditions (hereinafter the **Conditions**). The terms and conditions applicable to any particular Series of Notes are these Conditions as supplemented, amended and/or replaced by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Agency Agreement*: The relationship between the Issuer and Dexia Bank NV/SA acting under the commercial name of Belfius as domiciliary agent and paying agent (hereinafter the **Domiciliary Agent**, which expression includes any successor agent appointed from time to time in connection with the Notes) and the other paying agents named in the agency agreement (together with the Domiciliary Agent, the **Paying Agents**, which expression includes any successor listing agent appointed from time to time in connection with the Notes) is determined in accordance with an agency agreement dated 2 May 2012, as may be amended from time to time (the **Agency Agreement**).
- (d) *Calculation Agency Agreement*: The relationship between the Issuer and any other third parties which qualify as Calculation Agent(s) (where applicable) is governed by the relevant Calculation Agency Agreement.
- (e) *Clearing Services Agreement*: The relationship between the Issuer and the National Bank of Belgium as operator of the Securities Settlement System (as hereinafter defined) in relation to the clearing of the Notes is governed by a Clearing Services Agreement and the Settlement System Regulations (as hereinafter defined).
- (f) *The Notes*: All subsequent references in these Conditions to **Notes** are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available during normal business hours at the Specified Office of the Domiciliary Agent.

### 2. Interpretation

*Definitions*: In these Conditions the following expressions have the following meanings:

**Accrual Yield** has the meaning given in the relevant Final Terms;

**Additional Business Centre(s)** means the city or cities specified as such in the relevant Final Terms;

**Additional Financial Centre(s)** means the city or cities specified as such in the relevant Final Terms;

**Business Day** means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day, a day on which the Securities Settlement System is open and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in Brussels, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

**Business Day Convention**, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **Following Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **Preceding Business Day Convention** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **FRN Convention, Floating Rate Convention** or **Eurodollar Convention** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
  - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) **No Adjustment** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**Calculation Agent** means the Domiciliary Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

**Calculation Amount** has the meaning given in the relevant Final Terms;

**Calculation Period** means, in respect of any calculation of interest, the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date;

**Day Count Fraction** means, in respect of the calculation of an amount for any Calculation Period, such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (i) if **Actual/Actual (ICMA)** is so specified, means:
- (A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (B) where the Calculation Period is longer than one Regular Period, the sum of:
    - (1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if **Actual/365** or **Actual/Actual (ISDA)** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (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);
- (iii) if **Actual/365 (Fixed)** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if **Actual/360** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if **30/360** is so specified, means, in respect of the ISDA Definitions, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:
- $$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$
- where:
- $Y_1$  is the year, expressed as a number, in which the first day of the Calculation Period falls;
- $Y_2$  is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- $M_1$  is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- $M_2$  is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- $D_1$  is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case  $D_1$  will be 30; and
- $D_2$  is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and  $D_1$  is greater than 29, in which case  $D_2$  will be 30;
- (vi) if **30E/360** or **Eurobond Basis** is so specified means, in respect of the ISDA Definitions, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

$Y_1$  is the year, expressed as a number, in which the first day of the Calculation Period falls:

$Y_2$  is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$M_1$  is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

$M_2$  is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$D_1$  is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case  $D_1$  will be 30; and

$D_2$  is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case  $D_2$  will be 30; and

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

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

where:

$Y_1$  is the year, expressed as a number, in which the first day of the Calculation Period falls:

$Y_2$  is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$M_1$  is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

$M_2$  is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$D_1$  is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case  $D_1$  will be 30; and

$D_2$  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 and in which case  $D_2$  will be 30;

**Dealer** means each of Fortis Bank NV/SA, acting under the commercial name of BNP Paribas Fortis, ING Belgium SA/NV, acting under the commercial name of Barclays Bank PLC, CBC Banque SA, Deutsche Bank, Dexia Bank NV/SA acting under the commercial name of Belfius, HSBC France, ING Commercial Banking, KBC Bank NV and any other dealer appointed by the Issuer in respect of one or more Tranches or in respect of the whole Programme pursuant to the Programme Agreement and as specified in the relevant Final Terms.

**Early Termination Amount** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

**Final Redemption Amount** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**Fixed Coupon Amount** has the meaning given in the relevant Final Terms;

**Interest Amount** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

**Interest Commencement Date** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

**Interest Determination Date** has the meaning given in the relevant Final Terms;

**Interest Payment Date** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

**Interest Period** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**ISDA Definitions** means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the relevant Series of the Notes (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

**Issue Date** has the meaning given in the relevant Final Terms;

**Law of 2 January 1991** means the law of 2 January 1991 on the public debt securities market and instruments of monetary policy (*Loi relative au marché des titres de la dette publique et aux instruments de la politique monétaire*);

**Law of 22 July 1991** means the law of 22 July 1991 on treasury notes and certificates of deposit (*Loi relative aux billets de trésorerie et aux certificats de dépôt*);

**Law of 6 August 1993** means the law of 6 August 1993 on transactions in certain securities (*Loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*);

**Margin** has the meaning given in the relevant Final Terms;

**Maturity Date** has the meaning given in the relevant Final Terms;

**Maximum Redemption Amount** has the meaning given in the relevant Final Terms;

**Minimum Redemption Amount** has the meaning given in the relevant Final Terms;

**Noteholder** means the holder of Notes;

**Optional Redemption Amount (Call)** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**Optional Redemption Amount (Put)** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**Optional Redemption Date (Call)** has the meaning given in the relevant Final Terms;

**Optional Redemption Date (Put)** has the meaning given in the relevant Final Terms;

**Participating Member State** means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaties;

**Participants** means participants to the Securities Settlement System whose membership extends to securities such as the Notes;

**Payment Date** means:

- (i) if the currency of payment is euro, any day which is a TARGET Settlement Day, a day on which the Securities Settlement System is open and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

**Person** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**Principal Financial Centre** means, in relation to any currency, the principal financial centre for that currency provided, however, that in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

**Put Option Notice** means a notice which must be delivered to a Domiciliary Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**Rate of Interest** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

**Redemption Amount** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

**Reference Banks** means the four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**Reference Price** has the meaning given in the relevant Final Terms;

**Reference Rate** has the meaning given in the relevant Final Terms;

**Regular Period** means:

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

**Relevant Date** means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Domiciliary Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

**Relevant Financial Centre** has the meaning given in the relevant Final Terms;

**Relevant Screen Page** means the page, section or other part of a particular information service specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**Relevant Time** has the meaning given in the relevant Final Terms;

**Reserved Matter** means any proposal:

- (i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (ii) to change the currency in which amounts due in respect of the Notes are payable;
- (iii) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (iv) to amend this definition;

**Royal Decree of 14 October 1991** means the Royal Decree of 14 October 1991 on treasury notes and certificates of deposit (*Arrêté royal du 14 octobre 1991 relative aux billets de trésorerie et aux certificats de dépôt*);

**Royal Decree of 26 May 1994** means the Royal Decree of 26 May 1994 on the deduction of withholding tax (*Arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier conformément au chapitre Ier de la loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*);

**Royal Decree of 14 June 1994** means the Royal Decree of 14 June 1994 holding recognition of a clearing system with regard to the entry into effect of Chapter I of the law of 6 August 1993 on certain transactions in securities (*Arrêté royal du 14 juin 1994 portant agrément d'un système de liquidation pour la mise en œuvre du chapitre Ier de la loi du 6 août 1993 relative aux opérations sur certaines valeurs mobilières*);

**Securities Settlement System** means the clearing system operated by the National Bank of Belgium or any successor thereto;

**Settlement System Regulations** means Law of 6 August 1993, the Royal decree of 26 May 1994 and the Royal Decree of 14 June 1994, each as amended and the rules of the Securities Settlement System and its annexes, as issued or modified by the National Bank of Belgium from time to time;

**Specified Currency** has the meaning given in the relevant Final Terms;

**Specified Denomination(s)** has the meaning given in the relevant Final Terms;

**Specified Office** means Pachecolaan 44, 1000 Brussels, Belgium or such office as notified by the Domiciliary Agent in accordance with Condition 15;

**Specified Period** has the meaning given in the relevant Final Terms;

**TARGET Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System is open;

**Treaty** means the Treaty establishing the European Community; and

**Zero Coupon Note** means a Note specified as such in the relevant Final Terms.

### 3. Form

The Notes will be issued either in dematerialised form governed by the Law of 2 January 1991 as made applicable to debt securities issued by Région wallonne or, under the form of dematerialised treasury notes (*billets de trésorerie*) governed by the Law of 22 July 1991 and the Royal Decree of 14 October 1991, all as amended from time to time. Notes will only be issued under the Law of 2 January 1991 to the extent that the Law of 2 January 1991 is made applicable or otherwise applies to debt securities issued by Région wallonne.

The Notes cannot be physically delivered. No certificates representing the Notes will be issued. The Notes are accepted for clearance through the Securities Settlement System and are accordingly subject to the Settlement System Regulations. The Notes will be represented by book entries in the records of the Securities Settlement System or of an approved account holder within the meaning of Article 3 of the Law of 2 January 1991. The Noteholders will not be entitled to exchange the Notes into definitive notes in bearer or registered form.

### 4. Status

The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

### 5. Denominations of the Notes

Notes will have a denomination of one unit of the currency in which they are denominated. If issued under the form of treasury notes (*billets de trésorerie*), Notes will have a minimum denomination of €250,000 and may only be traded in any nominal amount equal or in excess of €250,000 (or its equivalent in other currencies). However, Notes issued under the form of treasury notes (*billets de trésorerie*) to investors which qualify as public administrations (*administrations publiques*) pursuant to article 6 of the Belgian Royal Decree of 14 October 1991 will have a minimum denomination of €100,000 and may be traded in any nominal amount equal or in excess of €100,000 (or its equivalent in other currencies).

Notes which are issued in dematerialised form governed by the Law of 2 January 1991 as made applicable to the Issuer, may be issued in denominations of EUR 100,000.

### 6. Fixed Rate Note Provisions

- (a) This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest*: The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Domiciliary Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount*: The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount of such Note, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a



sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

## **7. Floating Rate Note and Index-Linked Interest Note Provisions**

- (a) *Application:* This Condition 7 (*Floating Rate Note and Index-Linked Interest Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions or the Index-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Domiciliary Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
  - (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
    - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
    - (B) determine the arithmetic mean of such quotations; and
  - (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so

determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

- (d) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
  - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) if the relevant Floating Rate Option is based on the EURIBOR (as defined in the ISDA Definitions) rate or a currency, the day that is two Target Settlement Days preceding that Reset Date or (C) in any other case, as specified in the relevant Final Terms.
- (e) *Index-Linked Interest*: If the Index-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable, the Rate(s) of Interest applicable to the Notes for each Interest Period will be determined in the manner specified in the relevant Final Terms.
- (f) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (g) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (h) *Calculation of other amounts*: If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.
- (i) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Domiciliary Agent

and competent listing authority, stock exchange, regulated market and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall publish the Interest Amount in relation to the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

- (j) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Domiciliary Agent and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## **8. Zero Coupon Note Provisions**

- (a) *Application:* This Condition 8 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Domiciliary Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

## **9. Range Accrual Notes**

- (a) *Application:* This Condition 9 (*Range Accrual Notes*) is applicable to the Notes only if the Range Accrual Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Rate of Interest:* If the amount of payable interest is subject to an underlying reference index, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

## **10. Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes (including Index Linked Redemption Notes) will be redeemed at their Final Redemption Amount, specified in, or determined in the manner specified in, the relevant Final Terms, on the Maturity Date, subject as provided in Condition 11 (*Payments*).
- (b) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional

Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 45 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

- (c) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 10 (b) (*Redemption at the option of the Issuer*) the Notes shall be redeemed on a *pro rata* basis, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 10 (b) (*Redemption at the option of the Issuer*) shall specify the redemption amount of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (d) *Redemption at the option of Noteholders*: If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. Any conditions and/or circumstances that must be satisfied before a Put Option can be exercised will be set out in the relevant Final Terms. In order to exercise the option contained in this Condition 10 (d), the holder of a Note must, not less than 45 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit a duly completed Put Option Notice in the form obtainable from the Domiciliary Agent with the Domiciliary Agent together with a certificate issued by the relevant recognised account holder or Securities Settlement System certifying that such Note is held to its order or under its control and blocked by it. Once a duly completed Put Option Notice is deposited in accordance with this Condition 10 (d), no notice may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Domiciliary Agent shall mail notification thereof to the Noteholder (depositing the Put Option Notice) at such address as may have been given by such Noteholder in the relevant Put Option Notice.
- (e) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (d) above.
- (f) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable. Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10 (f) or, if none is so specified, a Day Count Fraction of 30E/360.
- (g) *Purchase*: The Issuer may at any time purchase Notes in the open market or by private contract at any price. Notes purchased as aforesaid may, at the option of the Issuer, be held, resold or surrendered for cancellation.

- (h) *Cancellation:* All Notes redeemed shall be cancelled forthwith. All Notes so redeemed shall be notified by the Issuer to the Domiciliary Agent who shall arrange for the cancellation of these Notes in the Securities Settlement System and cannot be reissued or resold.

## **11. Payments**

- (a) *Method of payment:*

- (i) All payments in euro of principal or interest owing under the Notes shall be made through the Domiciliary Agent and the Securities Settlement System in accordance with the Settlement System Regulations and the Clearing Services Agreement.
- (ii) All payments in any currency other than euro of principal or interest owing under the Notes shall be made through the Domiciliary Agent and Euroclear and /or Clearstream, Luxembourg (in accordance with the rules thereof, and in accordance with the Settlement System Regulations and the Clearing Services Agreement).

- (b) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

- (c) *Payment Date*

If the date for payment of any amount in respect of any Note is not a Payment Date, the holder thereof shall not be entitled to payment until the next following Payment Date in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

## **12. Taxation**

- (a) All payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature, unless the Issuer, the National Bank of Belgium, the Domiciliary Agent or any other person is required by applicable law to make any payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer, the National Bank of Belgium, the Domiciliary Agent or such other person (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, the National Bank of Belgium, the Domiciliary Agent nor any other person will be obliged to gross up the payments in respect of the Notes or to make any additional payments to any Noteholders in respect of any such withholding or deduction.
- (b) The Issuer, the National Bank of Belgium, the Domiciliary Agent or any other person being required to make a tax deduction shall not constitute an Event of Default.

## **13. Events of Default**

- (a) *Declaration of Acceleration:* If any of the following events occurs and is continuing:

- (i) default in the payment of principal or interest in respect of the Notes and such default shall have continued for a period of 15 days (for principal) or 7 days (for interest) of the due date for payment thereof;
- (ii) default by the Issuer in the due performance or observance of any other obligation or provision under or in relation to the Notes, if such default is not cured within 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Domiciliary Agent;

- (iii) default by the Issuer in the payment of any amount in respect of any other loan indebtedness of or assumed or guaranteed by the Issuer (which indebtedness has an aggregate principal amount of at least EUR 30,000,000 or its equivalent in any other currency), when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, originally applicable thereto and the time for payment has not been extended, or in the event that any such loan indebtedness shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of an event of default thereunder;
- (iv) any representation, warranty or statement made by the Issuer in connection with this Offering Circular or the Notes is proved to have been incorrect in any material respect;
- (v) the Issuer is unable to, or admits its inability to, pay any indebtedness which has an aggregate principal amount of at least EUR 30,000,000 or, shall declare a moratorium on any indebtedness or readjustment of any such indebtedness;
- (vi) it becomes unlawful for the Issuer to perform any of its obligations under the Notes or any of its obligations under the Notes ceases to be valid, binding or enforceable,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Domiciliary Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

- (b) *Rescission of Declaration of Acceleration:* If the Issuer receives notice in writing from a Noteholder that the event of default or events of default giving rise to the above mentioned declaration of acceleration is or are cured following any such declaration and that such holder requests the Issuer to rescind the relevant declaration, the Issuer shall, by notice in writing to that Noteholder (with a copy to the Domiciliary Agent), rescind the relevant declaration whereupon it shall be rescinded and shall have no further effect. No such rescission shall affect any other or any subsequent Event of Default or any right of any Noteholder in relation thereto.

#### **14. Meetings of Noteholders and Modifications**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.
- (b) *Modification:* The Notes and these Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision of the Agency Agreement, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is not materially prejudicial to the interests of the Noteholders.

## 15. Agent

With respect to the payment of the Notes, the Domiciliary Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders. The Domiciliary Agent and its initial Specified Offices is listed below. With respect to the listing of the Notes, the Listing Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any Noteholder. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Domiciliary Agent, Listing Agent or Calculation Agent and to appoint a successor domiciliary agent, listing agent or calculation agent, provided, however, that:

- (i) the Issuer shall at all times maintain a Domiciliary Agent; and
- (ii) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (iii) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a paying agent in any particular place, the Issuer shall maintain a paying agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system. Notice of any change of the paying agent or in its Specified Offices shall promptly be given to the Noteholders.

## 16. Notices

- (a) *General:* Notices to the Noteholders shall be valid if delivered by or on behalf of the Issuer to the National Bank of Belgium for communication by it to the Participants of the Securities Settlement System. Any such notice shall be deemed given on the date and at the time it is delivered to the Securities Settlement System. With respect to the Notes admitted to listing and trading on a regulated market, any notices to Noteholders must also be published as may be required by such market and, in addition to the foregoing, will be deemed validly given only after the date of such publication. All notices regarding the Notes shall be deemed to be validly given if published if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)). It is expected that any such publication in a newspaper will be made in the *Luxemburger Wort* or the *Tageblatt* in Luxembourg.
- (b) *Option Notices:*
  - (i) If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 45 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
  - (ii) If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise this option, the holder of a Note must, not less than 45 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with the Domiciliary Agent a duly completed Put Option Notice in the form obtainable from the Domiciliary Agent together with a certificate issued by the relevant recognised account holder or Securities Settlement System certifying that such Note is held to its order or under its control and blocked by it. Upon duly

completing such Put Option Notice no Note may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Domiciliary Agent shall mail notification thereof to the Noteholder (depositing the Put Option Notice) at such address as may have been given by such Noteholder in the relevant Put Option Notice.

#### **17. Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the *first currency*) in which the same is payable under these Conditions or such order or judgment into another currency (the *second currency*) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Domiciliary Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

#### **18. Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these conditions or the relevant Final Terms), all percentages resulting from such calculations will be rounded, if necessary, up or down to the nearest ninth decimal place. If the tenth decimal place is equal to five, the ninth decimal place shall be rounded up.

#### **19. Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and all non-contractual obligations arising from or connected with the Notes are governed by, and shall be governed by and construed in accordance with, Belgian law.
- (b) *Waiver of immunity:*
  - (i) The Issuer irrevocably and generally consents in respect of any suit, action or proceedings arising out of or in connection with this Programme or the Notes issued under the Programme to the giving of any relief or the issue of any process in connection with those proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order or judgment which may be made or given in those proceedings (except in the event of unenforceability of any attachment, seizure, garnishment or of any other compulsory enforcement against its properties or assets located within Région wallonne under Belgian mandatory public law provisions, such as, as the case may be, article 1412bis of the Belgian Judicial Code, except if these properties or assets are manifestly of no use to the performance of the public service duties of the Issuer or for the continuity of any public service).
  - (ii) Subject to the exception in paragraph (i) above, the Issuer irrevocably agrees not to claim and waives in connection with any proceedings which may be commenced in any of such courts with respect to this Programme or the Notes issued under the Programme, any immunity which it might be entitled to claim for itself or which might be attributed to it (whether on grounds of sovereignty or otherwise) from suit, from the jurisdiction of such courts, from attachment prior to judgment, from set-off (to the fullest extent permitted by applicable law), from attachment in aid of execution of a judgment or from execution of a judgment or from the giving of any other relief or issue of any process.



- (c) *Jurisdiction*: The Issuer irrevocably submits to the exclusive jurisdictions of courts in Brussels, Belgium. Legal proceedings will be held in the French language.

**20. Prescription**

Claims against the Issuer for payment of principal in respect of the Notes will be prescribed and become void unless made within ten years of the Relevant Date for payment thereof and interest in respect of Notes will be prescribed and become void unless made within five years of the Relevant Date for payment thereof.

## DESCRIPTION OF THE ISSUER

The Description of the Issuer which is included in a separate document dated 2 May 2012 (the **Description of the Issuer**), is available on the website of the Issuer at [www.wallonie.be](http://www.wallonie.be) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu), and may be obtained, free of charge, at the office of the Paying Agent set out at the end of this Offering Circular during normal business hours so long as any of the Notes are outstanding and shall be deemed to be incorporated in, and form part of, this Offering Circular.

## CERTIFICATION OF INFORMATION

The Issuer having made all reasonable enquiries, confirms that, to the best of its knowledge and belief: (i) this Offering Circular (including all documents incorporated therein) contains all information with respect to the Issuer and the Notes to be issued under the Programme, which is material in the context of the Programme, (ii) the information contained in the Offering Circular is true and accurate in all material respects and is not misleading, (iii) the opinions and intentions expressed in the Offering Circular are honestly held and (iv) there are no other facts the omission of which would, in the context of the Programme and the issuance of Notes thereunder, make any of such information or the expression of any such opinions or intentions misleading in any material respect.

Without prejudice to the preceding paragraph, the Issuer accepts responsibility towards interested parties for the losses which may occur as an immediate and direct result of the absence or inaccuracy of any disclosure required to be made in the Prospectus pursuant to article 5 of the Law of 22 July 1991 on treasury notes and certificates of deposit and in accordance with article 16, § 1, 2° of the Royal Decree of 14 October 1991 on treasury notes and certificates of deposit. The Issuer confirms having made all reasonable inquiries to ascertain all material facts for the purposes aforesaid.

For the Issuer

Name: Mr. André Antoine
Function: Minister of Budget and Finance of Région wallonne
Date: 2 May 2012

## FORM OF FINAL TERMS

*The Final Terms in respect of each Tranche of Series of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

Final Terms dated [ ]

### RÉGION WALLONNE

Issue of [Aggregate Nominal Amount of (Tranche of) Series] [Title of Notes]

#### Euro Medium Term Note Programme

This document constitutes the Final Terms relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated 2 May 2012. The Final Terms contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated 2 May 2012 [*insert if applicable*] and the supplemental Offering Circular dated [●].

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

- |    |                              |   |
|----|------------------------------|---|
| 1. | Issuer:                      | Région wallonne   |
| 2. | [(i) [Series Number:]]       | [ ]   |
|    | [(ii) [Tranche Number:]]     | [ ]   |
|    |                              | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).</i>                                      |
| 3. | Specified Currency*:         | [ ]   |
| 4. | Aggregate Nominal Amount:    |   |
|    | [(i) [Series:]]              | [ ]   |
|    | [(ii) [Tranche:]]            | [ ]   |
| 5. | (i) [Issue Price:            | [ ] per cent of the Aggregate Nominal Amount<br>[plus accrued interest from [ <i>insert date</i> ] ( <i>in the case of fungible issues only, if applicable</i> )] |
|    | (ii) [Net proceeds:          | [ ] ( <i>Required only for listed issues</i> )]   |
| 6. | (i) Specified Denominations: | [ ]   |
|    | (ii) Calculation Amount:     | [ ]   |
|    |                              | <i>(If only one Specified Denomination, insert the Specified Denomination.</i>  |
|    |                              | <i>If more than one Specified Denomination, insert the highest common factor. Note: There must be a</i>   |

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\* Notes may be denominated in any currency, provided that Notes in such currency may be cleared and settled in the Securities Settlement System and subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Securities Settlement System exclusively clears securities denominated in currencies for which the European Central Bank daily publishes Euro foreign exchange reference rates.

*common factor in the case of two or more Specified Denominations.)*

7. [(i)] Issue Date: [       ]
- [(ii)] Interest Commencement Date: [       ]/Issue Date/Not Applicable]
8. Maturity Date: *[Fixed rate – specify date/  
Floating rate – Interest Payment Date falling in or  
nearest to [specify month]]*
9. Interest Basis: [[       ] % Fixed Rate]  
[[specify reference rate] +/- [       ]% Floating Rate]  
[Zero Coupon]  
[Index-Linked Interest]  
[Other (specify)]  
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
[Index-Linked Redemption]  
[Partly Paid]  
[Instalment]  
[Other (specify)]
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of  
Notes into another interest or redemption payment  
basis]*
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. Status of the Notes: Senior
14. Date approval for issuance of Notes obtained: [       ]  
*(N.B. Only relevant where specific authorisation is  
required for the particular tranche of Notes or  
related Guarantee)*
15. Listing: [Applications have been made for the Notes to be  
admitted to listing on the Official List and trading on  
the regulated market of the Luxembourg Stock  
Exchange/other (specify)/None]
16. Method of distribution [Syndicated / Non-syndicated]

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

17. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-  
paragraphs of this paragraph)*
  - (i) Rate[(s)] of Interest: [       ] per cent. per annum [payable  
[annually/semi-annually/quarterly/monthly] in  
arrear]

- (ii) Interest Payment Date(s): [ ] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable (Additional) Business Centre(s) for the definition of "Business Day"]*/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount
- (iv) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[If neither of these options applies, give details]
- (v) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

**18. Floating Rate Note Provisions**

[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- (i) Interest Period(s): [ ]
- (ii) Specified Interest Payment Dates: [ ]
- (iii) First Interest Payment Date: [ ]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Convention/Preceding Business Day Convention/other (give details)]
- (v) Additional Business Centre(s): [Not Applicable/give details]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Domiciliary Agent]): [[Name] shall be the Calculation Agent *(no need to specify if the Domiciliary Agent is to perform this function)*]
- (viii) Screen Rate Determination:
- Reference Rate: [For example, LIBOR or EURIBOR]
  - Relevant Screen Page: [For example, Reuters page Euribor01/Libor01]
  - Interest Determination Date(s): [ ]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
  - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
  - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]

- (ix) ISDA Determination:
  - Floating Rate Option: [     ]
  - Designated Maturity: [     ]
  - Reset Date: [     ]
- (x) Margin(s): [ +/- ] [     ] Per cent. per annum
- (xi) Minimum Rate of Interest: [     ] per cent. per annum
- (xii) Maximum Rate of Interest: [     ] per cent. per annum
- (xiii) Day Count Fraction: [     ]
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions; [     ]

**19. Zero Coupon Note Provisions** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) [Amortisation/Accrual] Yield: [     ] per cent. per annum
- (ii) Reference Price: [     ]
- (iii) Any other formula/basis of determining amount payable: [     ]

**20. Index-Linked Interest Note Provisions/other variable-linked interest Note Provisions\*** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Index/Formula/other variable: [Give or annex details]
  - (ii) Calculation Agent responsible for calculating the interest due: [     ]
  - (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [     ]
  - (iv) Interest Determination Date(s): [     ]
  - (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [     ]
  - (vi) Interest or calculation period(s): [     ]
  - (vii) Specified Period: [     ]
- (Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be*

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\* Index Linked Notes will not be issued for as long as they may not be cleared through the Securities Settlement System.

*relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*

- (viii) Specified Interest Payment Dates *(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (ix) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Convention/ Preceding Business Day Convention/other (give details)]
- (x) Additional Business Centre(s): [       ]
- (xi) Minimum Rate of Interest: [       ] per cent. per annum
- (xii) Maximum Rate of Interest: [       ] per cent. per annum
- (xiii) Day Count Fraction: [       ]

**21. Range Accrual Notes**

[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- (i) Interest Period(s): [       ]
- (ii) Specified Interest Payment Dates: [       ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Convention/Preceding Business Day Convention/other (give details)]
- (iv) Additional Business Centre(s): [Not Applicable/give details]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Domiciliary Agent]): [[Name] shall be the Calculation Agent (no need to specify if the Domiciliary Agent is to perform this function)]
- (vii) Screen Rate Determination:
  - Reference Rate: [For example, LIBOR or EURIBOR]
  - Relevant Screen Page: [For example, Reuters page Euribor01/Libor01]
  - Interest Determination Date(s) [       ]
  - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
  - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]
- (viii) ISDA Determination:
  - Floating Rate Option: [       ]



- Designated Maturity: [     ]
- Reset Date: [     ]
- (ix) Margin(s): [ +/- ] [     ] per cent. per annum
- (x) Minimum Rate of Interest: [     ] per cent. per annum
- (xi) Maximum Rate of Interest: [     ] per cent. per annum
- (xii) Minimum Range of Interest Rate: [     ]
- (xiii) Maximum Range of Interest Rate: [     ]
- (xiv) Day Count Fraction: [     ]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [     ]

## PROVISIONS RELATING TO REDEMPTION

### 22. 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 and method if any, of calculation of such amount(s): [     ] per Calculation Amount
- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount [     ] per Calculation Amount
  - (b) Maximum Redemption Amount [     ] per Calculation Amount
- (iv) Notice period\*: [     ]

### 23. 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 and method, if any, of calculation of such amount(s): [     ] per Calculation Amount
- (iii) Notice period (if other than as set out in the Conditions)\*: [     ]

### 24. Final Redemption Amount of each Note [     ] per Calculation Amount/other/see Appendix

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\* If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and its domiciliary agent

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- |        |  |                                |
|--------|--|--------------------------------|
| (i)    | Index/Formula/variable:  | [give or annex details]        |
| (ii)   | Calculation Agent responsible for calculating the Final Redemption Amount:   | [     ]                        |
| (iii)  | Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:  | [     ]                        |
| (iv)   | Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable:   | [     ]                        |
| (v)    | Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | [     ]                        |
| (vi)   | [Payment Date]:  | [     ]                        |
| (vii)  | Minimum Final Redemption Amount:   | [     ] per Calculation Amount |
| (viii) | Maximum Final Redemption Amount:   | [     ] per Calculation Amount |

## 25. Early Redemption Amount of each Note

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions)	[Not Applicable (if both the Early Redemption Amount (Tax) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax) and/or the Early Termination Amount if different from the principal amount of the Notes)]
--	---

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- |  |  |
|--|--|
| 26. Form of Notes:   | [The Notes will be issued in dematerialised form governed by the Law of 2 January 1991 as made applicable to debt securities issued by Région wallonne pursuant to [●] / The Notes will be issued under the form of dematerialised treasury notes ( <i>billets de trésorerie</i> ) governed by the Law of 22 July 1991 and the Royal Decree of 14 October 1991, all as amended from time to time.] |
| 27. Additional Financial Centre(s) or other special provision relating to Payment Dates: |  |
| 28. Details relating to Partly Paid Notes:   | [Not Applicable/give details]  |

amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:

- |     |  |  |
|-----|--|--|
| 29. | Details relating to Instalment Notes:                | [Not Applicable/give details] amount of each instalment, date on which each payment is to be made: |
| 30. | Redenomination, renominatisation and reconventioning | [Not Applicable/The provisions reconventioning provisions: [annexed to this Final Terms apply]     |
| 31. | [Consolidation provisions:                           | [Not Applicable/The provisions [annexed to this Final Terms ] apply]                               |
| 32. | Other terms or special conditions:                   | [Not Applicable/give details]  |

#### **DISTRIBUTION**

- |     |                                       |   |
|-----|---------------------------------------|---|
| 33. | (i) If syndicated, names of Managers: | [Not Applicable/give names]                                   |
|     | (ii) Stabilising Manager (if any):    | [Not Applicable/give name]                                    |
| 34. | If non-syndicated, name of Dealer:    | [Not Applicable/give name]                                    |
| 35. | U.S. Selling Restrictions:            | [The C Rules are applicable / The C Rules are not applicable] |
| 36. | Additional selling restrictions:      | [Not Applicable/give details <sup>1</sup> ]                   |

#### **OPERATIONAL INFORMATION**

- |     |  |  |
|-----|--|--|
| 37. | ISIN Code:   | [       ]  |
| 38. | Common Code:   | [       ]  |
| 39. | Any clearing system(s) other than [Securities Settlement System] [Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking, société anonyme, Luxembourg and the relevant identification number(s)]: | [Not Applicable/give <i>name(s) and number(s)</i> ]  |
| 40. | Delivery:  | Delivery [against/free of] payment   |
| 41. | Additional Paying Agent(s) (if any):   | [       ]  |
| 42. | Rating:  | <p>The Issuer has been rated:</p> <p>Moody's:            A1 (negative outlook)</p> <p>The Programme has been rated:</p> <p>Moody's:            Senior Unsecured (P) A1</p> <p>The Notes to be issued are rated:</p> <p>Moody's:            [●]</p> |

<sup>1</sup> Certain forms of Notes may only be offered and sold to Tax Eligible Investors, including for example Notes with a maturity of more than one year which are issued in tranches when the actuarial return of one tranche exceeds the actuarial return from the initial issue until maturity by more than 0.75 points.  
Also consider whether any further transfer restrictions result from the Notes being cleared through the Securities Settlement System.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Offering Circular (including the documents incorporated therein) [and the Supplemental Offering Circular dated [●]] referred to above, contain all information that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By: \_\_\_\_\_

*Duly authorised*

## TAXATION IN BELGIUM

The following is a general description of the main Belgian tax consequences of acquiring, holding, redeeming and/or disposing of the Notes. It is restricted to the matters of Belgian taxation stated herein and is intended neither as tax advice nor as a comprehensive description of all Belgian tax consequences associated with or resulting from any of the aforementioned transactions. Prospective investors are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Notes.

The summary provided below is based on the information provided in this Offering Circular and on Belgium's tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Offering Circular and with the exception of subsequent amendments with retroactive effect.

For the present purposes, interest includes: (i) periodic interest income; (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer); and (iii) if the Notes qualify as fixed income securities pursuant to Article 2, §1, 8° of the Belgian Income Tax Code 1992, in case of a disposal of the Notes between two interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the holding period.

### Withholding Tax

All interest payments in respect of the Notes will be subject to Belgian withholding tax at a rate of 21%, on the gross amount of the interest. Tax treaties may provide for a lower rate subject to certain conditions.

However, under Belgian domestic law, payments of interest on the Notes by or on behalf of the Issuer may normally be made without deduction of withholding tax for Notes held by Tax Eligible Investors in an X-Account with the Securities Settlement System or with a Participant.

For certain forms of Notes, the withholding tax exemption will only apply provided all Notes of that form are held by Tax Eligible Investors in an X-Account with the Securities Settlement System or with a Participant. This would be relevant for, *inter alia*:

- Notes with a maturity of more than one year which are issued in tranches when the actuarial return of one tranche exceeds the actuarial return from the initial issue until maturity by more than 0.75 points;
- Notes which are early redeemable at the option of the investor if the actuarial return in case of exercise of this right exceeds the actuarial return from the issue until maturity by more than 0.75 points; and
- Notes with a maturity of more than five years when the actuarial return from the issue until maturity exceeds their nominal annual interest rate by more than 0.75 points, as well as Notes with a capitalisation feature.

Tax Eligible Investors include, *inter alia*:

- (a) Belgian resident corporate investors;
- (b) semi-public governmental social security institutions or institutions similar thereto;
- (c) corporate investors who are non-residents of Belgium, whether they have a permanent establishment in Belgium or not;
- (d) individual investors who are non-residents of Belgium and who have not allocated the Notes to a professional activity in Belgium;
- (e) foreign mutual investment funds the units of which are not publicly offered or marketed in Belgium; and
- (f) (only for debt securities issued by legal persons belonging to the public sector) legal entities which belong to the public sector.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, to which investors should refer to for a precise description of the relevant eligibility rules.

Tax Eligible Investors do not include *inter alia* Belgian resident investors who are individuals or Belgian non-profit organisations other than those specifically referred to under Article 4 of the Royal Decree of 26 May 1994.

Upon opening an X-Account with the Securities Settlement System or a Participant, a Tax Eligible Investor is required to provide a statement of its tax eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing declaration requirements for Tax Eligible Investors save that they need to inform the Participants of any changes to the information contained in the statement of their tax eligible status. However, Participants are required to annually provide the National Bank of Belgium with listings of investors who have held an X-Account during the preceding calendar year.

These identification requirements do not apply to Notes held by Tax Eligible Investors through Euroclear or Clearstream, Luxembourg or their sub-participants outside of Belgium, provided that these institutions or sub-participants only hold X-Accounts and are able to identify the accountholder.

Participants must keep the Notes which they hold on behalf of non-Tax Eligible Investors in a non-exempt account (an **N-Account**). In such instance all payments of interest are subject to withholding tax, which is withheld by the National Bank of Belgium from the interest payment and remitted to the Belgian Treasury.

Transfers of Notes between an X-account and an N-account may give rise to certain adjustment payments on account of withholding tax:

- In case of a transfer from an N-account to an X-account or an N-account, the transferring non-Tax Eligible Investor must remit to the National Bank of Belgium withholding tax calculated on the pro rata of accrued interest from the last interest payment date up to the transfer date.
- In case of a transfer from an X-account or an N-account to an N-account, the National Bank of Belgium must refund to the acquiring non-Tax Eligible Investor an amount equal to withholding tax calculated on the pro rata of accrued interest from the last interest payment date up to the transfer date.
- In case of a transfer between two X-accounts, no adjustment on account of withholding tax applies.

## **Income Tax**

### **(a) Belgian Resident Individuals**

For individuals subject to Belgian personal income tax (*personenbelasting / impôt des personnes physiques*) and holding Notes as a private investment, the applicable regime is set out below. Different rules apply for Belgian resident individuals holding Notes as a professional investment.

The Noteholder will not need to declare interest in respect of the Notes in its personal income tax return, provided that it allows the Issuer (or, as the case may be, the relevant financial intermediary in Belgium) to levy, in addition to the withholding tax, an "additional tax on investment income" at the rate of 4%. If the Noteholder elects not to declare such interest income, the withholding tax and the "additional tax on investment income" are the final tax for the Noteholder, resulting in an aggregate tax rate of 25%. If the Noteholder elects to declare the interest income, the withholding tax and the "additional tax on investment income" are credited against the Noteholder's final tax liability, and any excess can be refunded. In that case, the tax rate applicable to the interest income will depend on the Noteholder's annual income:

- if the taxpayer's Qualifying Investment Income (defined as i) taxable interest income, other than interest income on Government bonds issued and subscribed in the period between 24 November 2011 and 2 December 2011, and ii) taxable dividend income, other than liquidation bonuses) for the relevant tax year does not exceed EUR 20,020 (amount for income year 2012), the interest income generated by the Notes will be subject to personal income tax at a rate of 21% (without application of municipal surcharges, according to statements made by the Minister of Finance, but this is

currently not supported by the text of the law) or at the progressive personal income tax rates taking into account the taxpayer's other declared income, whichever is lower; and

- if the taxpayer's Qualifying Investment Income for the relevant tax year exceeds EUR 20,020 (amount for income year 2012), the interest income generated by the Notes will be subject to personal income tax at a rate of 21% (without application of municipal surcharges, according to statements made by the Minister of Finance, but this is currently not supported by the text of the law), and to the "additional tax on investment income" at the rate of 4%, it being understood that such "additional tax on investment income" is only due on the tranche of Qualifying Investment Income that exceeds EUR 20,020. To determine whether part or all of the interest income generated by the Notes is included in the first tranche of EUR 20,020, the taxable investment income which is exempt from the "additional tax on investment income" (such as i) taxable interest income from regulated saving deposits, ii) interest income on Government bonds issued and subscribed in the period between 24 November 2011 and 2 December 2011 and iii) dividends taxed at a rate of 25 %) is counted first, except that liquidation bonuses are fully disregarded.

The taxpayer can avoid the levy by the Issuer (or, as the case may be, the relevant financial intermediary in Belgium) of the 4% "additional tax on investment income" if the taxpayer allows the Issuer (or, as the case may be, the relevant financial intermediary in Belgium) to communicate the taxpayer's identity and the amount of the taxpayer's interest income to a central contact point operated by a separate department of the Federal Public Service Finance, which in turn will automatically communicate this information to the Belgian income tax authorities if the total annual amount of Qualifying Investment Income communicated by the Issuer and financial intermediaries with respect to that taxpayer exceeds the aforementioned threshold of EUR 20,020 (amount for income year 2012). The Belgian income tax authorities may also at any time request information on any investment income communicated to the central contact point with respect to a given taxpayer, it being understood that such request may exclusively purport to verify the correct (non) application of the 4% additional tax on investment income. If the taxpayer elects for the communication of the investment income to the central contact point, the 21% withholding tax does not discharge the taxpayer from the declaration of the interest income generated by the Notes in the taxpayer's personal income tax return. The taxpayer will need to declare this interest income, and the personal income tax rules applicable to such interest income will be identical to the rules set out above (ie personal income tax rate of 21% or 25%, again without application of municipal surcharges, according to statements made by the Minister of Finance, or progressive personal income tax rate taking into account the taxpayer's other declared income).

The specific terms under which the 4% "additional tax on investment income" would be applied "at source" on payments of income made through N-accounts, has, for the time being, not yet been clarified by the Belgian Tax Authorities. However, for the time being (as of the date of this Offering Circular), for operational reasons, many financial institutions are not yet able to withhold the 4% "additional tax on investment income" at source. Therefore, from now on and until further notice (if any), the investment income must be reported in the annual income tax return.

Any capital gain upon a transfer of Notes will in principle be tax exempt (excluding, for the avoidance of doubt, the interest component if any and except to the extent the tax authorities can prove that the capital gain does not result from the normal management of the individual's private estate).

Capital losses on Notes are not usually deductible.

#### (b) Belgian Resident Corporations

For corporate Noteholders who are Belgian residents for tax purposes, i.e. who are subject to Belgian corporate income tax ("*Vennootschapsbelasting/Impôt des sociétés*"), all interest and any capital gains realized upon the disposal of the Notes are taxable at the applicable corporate income tax rate (the ordinary corporate tax rate is 33.99% but lower rates apply to small income companies under certain conditions). Any retained Belgian interest withholding tax will generally, subject to certain conditions, be creditable against

any corporate income tax due and the excess amount will in principle be refundable. Capital losses realized upon the disposal of the Notes are in principle tax deductible.

(c) Belgian Resident Legal Entities

For Noteholders who are Belgian resident legal entities subject to Belgian legal entities' tax ("*Rechtspersonenbelasting/Impôt des personnes morales*"), the withholding tax on interest will constitute the final tax in respect of such income.

It should be noted that Belgian legal entities which qualify as Tax Eligible Investors and which have received interest free of withholding tax due to the fact that they hold the Notes through an X-Account with the Securities Settlement System, will have to declare the interest and pay the applicable withholding tax to the Belgian Treasury themselves.

Belgian legal entities are not liable to income tax on capital gains realised upon the disposal of the Notes (excluding, for the avoidance of doubt, the interest component if any).

(d) Non-Residents of Belgium

Noteholders who are non-residents of Belgium for Belgian tax purposes and who are not holding the Notes through a Belgian establishment or investing in the Notes in the course of their Belgian professional activity, will not incur or become liable for any tax on income or capital gains (except, for the avoidance of doubt, in the form of withholding tax if applicable) by reason only of the acquisition, ownership or disposal of the Notes.

A non-resident company having allocated the Notes to the exercise of a professional activity in Belgium through a Belgian establishment is subject to in substance the same rules as a Belgian resident corporation (see above).

Transfer tax

No transfer tax ("*Taks op de beursverrichtingen/Taxe sur les opérations de bourse*") will be due on the issuance of the Notes (primary market).

The transfer for consideration on the secondary market of Notes issued in dematerialised form governed by the Law of 2 January 1991 will trigger transfer tax of 0.09 per cent if executed in Belgium through a financial intermediary. The tax will be due on each disposal and acquisition separately. Under current rules, it would be limited to a maximum of EUR 650 per party and per transaction; the Belgian government apparently intends to introduce an increased maximum transfer tax of EUR 740 per party and per transaction but whether this will also apply to debt securities such as the Notes is not yet certain. Exemptions are available for non-residents acting for their own account (subject to delivery of an affidavit confirming their non-resident status), as well as for certain professional intermediaries, insurance companies, pension funds and mutual investment funds, acting for their own account.

The transfer for consideration on the secondary market of Notes issued under the form of dematerialised treasury notes as referred to in the Law of 22 July 1991, will be exempt from transfer tax.

**EU Savings Directive**

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **Savings Directive**), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.



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

## TAXATION IN LUXEMBOURG

The following is a summary limited to certain tax considerations in Luxembourg relating to the payments made in respect of the Notes that may be issued and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force in the Grand Duchy of Luxembourg as of the date of this Offering Memorandum and as applied by the tax authorities, all of which are subject to changes or to different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. It is included herein solely for information purposes and is not intended to be, nor should it be construed to be, legal or tax advice. Each prospective holder or beneficial owner of the Notes should consult his/her/its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes in light of his/her/its particular circumstances.

### Withholding tax

#### (a) Non-residents of Luxembourg

Under Luxembourg tax law currently in force and subject to the laws of 21 June 2005 implementing in Luxembourg, the Savings Directive and ratifying the treaties entered into by Luxembourg and certain non-EU countries and EU dependent or associated territories (the **Laws**) there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon reimbursement, redemption or repurchase of the Notes held by non-resident holders of the Notes.

Under the Laws, a Luxembourg based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain “residual entities” within the meaning of Article 4.2 of the Savings Directive established in a Member State or in certain EU dependent or associated territories, i.e., entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, that are not UCITS recognized in accordance with the Council Directive 85/611/EEC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands and have not opted to be treated as UCITS recognized in accordance with the Council Directive 85/611/EEC.

The withholding tax rate is 35 per cent. as from 1 July 2011.

#### (b) Residents of Luxembourg

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

Under the December 2005 Luxembourg Law, payments of interest or similar income made or ascribed by a paying agent (described in the same way as in the Savings Directive) established in Luxembourg to individuals beneficial owners who are resident of Luxembourg or to certain residual entities that secure interest payments on behalf of such individuals (unless such residual entities have opted either to be treated

as UCITS recognized in accordance with the Council Directive 85/611/EEC or for the exchange of information regime) will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

## SUBSCRIPTION AND SALE

The Notes may be sold from time to time by the Issuer to any one or more of the Dealers as specified in the relevant Final Terms (**the Dealers**). The arrangements under which the Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in subscription agreements (**the Subscription Agreements**) between the Issuer and the Dealers. Any such agreement will, inter alia, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers or as the case may be, the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The programme agreement entered into between the Issuer, BNP Paribas Fortis and ING Commercial Banking as the Co-Arrangers and the Initial Dealers named therein on 2 May 2012, as may be amended from time to time (**the Programme Agreement**), makes provision for the resignation or termination of the appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular (Tranche of) Series of Notes.

### Selling restrictions

#### General

No action has been or will be taken by the Issuer or any of the Dealers (other than, to the extent applicable, with respect to the listing of any of the Notes on the relevant Stock Exchange) that would permit a public offering of any of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, each of the Issuer and the Dealers has undertaken that it will not, directly or indirectly, offer or sell any Notes or distribute or publish the Offering Circular, or any part thereof including any Final Terms, any advertisement, or other document or information in any country or jurisdiction except under circumstances that such Issuer or Dealer believes in good faith, on reasonable grounds after making all reasonable investigations, result in compliance with any applicable laws and regulations.

#### United States

- (i) The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (**the Securities Act**) and will only be sold outside the United States in offshore transactions under the Securities Act and, absent registration under the Securities Act, may only be offered or sold in the United States pursuant to an available exemption from such registration requirements.
- (ii) Notes having a maturity of more than one year will be issued in compliance with the C Rules. Notes issued in compliance with the C Rules may not be offered, sold or delivered within the United States or its possessions, except in certain transactions permitted by U.S. Treasury regulations.

The Issuer will require each Dealer participating in the distribution of Notes issued in compliance with the C Rules to represent and agree that it will not at any time offer, sell, resell or deliver, directly or indirectly, such Notes in the United States or its possessions or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or its possessions. Further, in connection with the original issuance of such Notes, the Issuer will require each Dealer to represent and agree that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Dealer or such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Notes.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations thereunder, including the C Rules.

#### United Kingdom

Each Dealer has represented and agreed that:

- (i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (**the "UK FSMA"**) with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and

- (ii) in relation to any Notes which have a maturity of less than one year (a) it is an investor whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to investors whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their business or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business where the issue of the Notes would otherwise constitute a contravention of Section 19 of the UK FSMA by the Issuer; and
- (iii) 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 UK FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the UK FSMA does not apply to the Issuer.

#### **Other Restrictions and Amendments to Restrictions**

The Final Terms applicable to any Tranche of Notes may contain additional selling restrictions as agreed between Région wallonne and the Dealer(s) for such Tranche or may amend the above selling restrictions as they apply to such Tranche.

In addition, certain forms of Notes may only be offered and sold to Tax Eligible Investors (see *Taxation in Belgium*), as will be further specified in the applicable Final Terms.

## GENERAL INFORMATION

(1) The Issuer has obtained all necessary consents, approvals and authorisations and, has complied with all formalities in Belgium in connection with the establishment of the Programme. The establishment of the Programme was authorised by article 5 of the Decree of Région wallonne of 15 December 2011 concerning the budget for the budget year 2012 (*Décret du 15 décembre 2011 contenant le budget des recettes de la Région wallonne pour l'année budgétaire 2012*).

Before making any issue under the Programme, the Issuer will obtain all necessary consents, approvals and authorisations, will comply with all formalities and, will proceed with the issue in compliance with the applicable legislation, amongst others Article 49 the Law of 16 January 1989 on the financing of the communities and regions (*loi spéciale relative au financement des Communautés et Régions*), as amended from time to time, which states that:

- (a) in the case of public issues of Notes, the Issuer will comply with the calendar set by the Federal Government for the public issues of debt by all federal entities (following consultation of the Community and Regional Governments) and the Federal Minister of Finance will have given his consent to the issue;
- (b) in the case of private issues of Notes and the issue of short-term Notes, the Issuer will notify in advance the Federal Minister of Finance; if the Federal Minister of Finance has sought the advice of the expert group within the High Council of Finance on the need to limit the borrowing capacity of the Issuer in order to protect the economic and monetary union, avoid internal and external monetary imbalances and a structural deterioration of the financing needs of the Issuer, or if the expert group has issued such advice at its own initiative and as a consequence the Federal Government has decided to suspend the Issuer's authority to borrow for a period of up to two years, the Federal Minister of Finance will have given his consent to the issue.

Before making any issue under the Programme, the Issuer will comply with all formalities and obtain all necessary consents, approvals and authorisations.

(2) Except as disclosed in this Offering Circular, there has been no significant change in the financial position of the Issuer since 9 December 2011 i.e. the date of the report of the National Audit Office (*Cour des Comptes*) on the budget deliberation n°2011/01 and proposed decree containing the second series of adjustment to the general expense budget of Région wallonne for the budget year 2011 (*Délibération budgétaire n°2011/01 et projet de décret contenant le deuxième feuillet d'ajustement du budget général des dépenses de la Région wallonne pour l'année budgétaire 2011*) and no material change in the financial condition and prospects of the Issuer since then, except that a control of the budget for the budget year 2012 of the Issuer is ongoing to determine whether or not to adjust the budget for the budget year 2012 due to the possible decrease of the receipts resulting from the revision of the growth of the gross domestic product by the Federal Planning Bureau (*Bureau du Plan*) in February 2012.

(3) The Issuer is not and has not been involved in any legal or arbitration proceedings that may have, or have had during the 12 months preceding the date of this document, a significant effect on the financial position of the Issuer, nor is the Issuer aware that any such proceedings are pending or threatened.

(4) There are no litigation or arbitration proceedings against or affecting the Issuer or any of its respective assets or revenues, nor is the Issuer aware of any pending or threatened proceedings of such kind, which are or might be material in the context of the Programme or the issue of the Notes thereunder.

(5) For so long as the Programme remains in effect or any Notes shall be outstanding, the following documents may be inspected and, in the case of (b) and (d) below, may be obtained during normal business hours at the specified office of the Paying Agent, namely:

- (a) the Programme Agreement;
- (b) this Offering Circular, including the documents incorporated therein, any amendment or supplement hereto and any Final Terms relating to Notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange, regulated market and/or quotation system. (In the case of

any Notes which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange, regulated market and/or quotation system, copies of the relevant Final Terms will be available for inspection by the relevant Noteholders only.)

- (c) the Agency Agreement;
  - (d) the budget of the Issuer;
  - (e) a copy of the subscription agreement for Notes issued on a syndicated basis that are listed on the Luxembourg Stock Exchange;
  - (f) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.
  - (g) the Calculation Agency Agreement (where applicable).
- (6) The Offering Circular will be available in an electronic form on the website of the Luxembourg Stock Exchange (<http://www.bourse.lu>) and on the Issuer's website ([www.wallonie.be](http://www.wallonie.be)).
- (7) Notes have been accepted for clearance through Euroclear and Clearstream Luxembourg. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for each Series of Notes will be set out in the relevant Final Terms.
- (8) The Final Terms for each Tranche of Notes must be sent in draft form to the NBB in advance for approval. Admission of Notes in the X/N Clearing System is discretionary.
- (9) The execution of the annual budget of the Issuer is subject to a review by the National Audit Office ("*Cour des comptes*") (for additional information, see <http://www.courdescomptes.be/>), a separate institution that advises the Parliament of the Issuer. The definitive budget regulation ("*loi des comptes*") is adopted by the Parliament after verification by the National Audit Office.
- (10) Financial information for 2011 will be available in June 2012 at the latest. At that time, a prefiguration of the 2011 accounts ("*préfiguration des résultats de l'exécution du budget*"), in accordance with article 77 of the Royal Decree of 17 July 1991 in the State Accounting, will be available in the office of the Domiciliary Agent and of the Paying Agent.
- (11) The net proceeds of the issue of the Notes will be used to finance the Issuer's activities unless otherwise specified in the relevant Final Terms.

## **CLEARING AND SETTLEMENT OF THE NOTES**

### **Clearing and settlement of the Notes in EUR**

The Notes will be created, cleared and settled in the Securities Settlement System. Notes will not be issued for so long as they may not be cleared through the Securities Settlement System.

Settlement will take place on a "delivery versus payment" basis in accordance with the current Securities Settlement System. The appropriate common code and the International Securities Identification Number (ISIN number) in relation to the Notes of each Series of Notes will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Subject to the rules imposed by the Securities Settlement System and unless agreed otherwise between the Dealer, the Domiciliary Agent and the Issuer, the Notes will be created in the account of the Domiciliary Agent with the Securities Settlement System. An amount thereof, as previously notified to the Domiciliary Agent by those Dealers who are Participants and elect to receive Notes in such system will be transferred on the same day from the Domiciliary Agent's account with the Securities Settlement System to the account of the Dealer with the Securities Settlement System on a "delivery versus payment" basis (i.e. against payment by the relevant Dealers of the corresponding subscription funds into the account of the Domiciliary Agent with the Securities Settlement System). The remaining Notes will be transferred on the same day, on a "delivery versus payment basis", from the Domiciliary Agent's account with the Securities Settlement System to Euroclear and/or Clearstream, Luxembourg's account with the Securities Settlement System (i.e. against payment by the relevant Dealers of the corresponding subscription funds into the account of the Domiciliary Agent with the Securities Settlement System). On the basis of this transfer, Euroclear and/or Clearstream, Luxembourg will credit the Notes to the account held by the relevant Dealers with Euroclear and/or Clearstream, Luxembourg in accordance with the current Euroclear and/or Clearstream, Luxembourg procedures.

### **Clearing and settlement of the Notes in foreign currencies**

Subject to the rules imposed by the Securities Settlement System and unless agreed otherwise between the Dealer, the Domiciliary Agent and the Issuer, the Notes will be created in the account of the Domiciliary Agent with the Securities Settlement System. Notes will not be issued for so long as they may not be cleared through the Securities Settlement System. An amount, as previously notified to the Domiciliary Agent by the Dealers will be transferred on the same day, free of payment, to Euroclear and/or Clearstream, Luxembourg's account with the Securities Settlement System. On the basis of this transfer, Euroclear and/or Clearstream, Luxembourg will credit the Notes to the account held by the Domiciliary Agent with Euroclear and/or Clearstream, Luxembourg. The Notes will be transferred from the Domiciliary Agent's account at Euroclear and/or Clearstream, Luxembourg to the account held by the Dealer with Euroclear and/or Clearstream, Luxembourg in accordance with the current Euroclear and/or Clearstream, Luxembourg procedures, on a "delivery versus payment" basis (i.e. against payment by the Dealer in Euroclear and/or Clearstream, Luxembourg of the corresponding subscription funds into the account of the Domiciliary Agent at Euroclear and/or Clearstream, Luxembourg).

Interest payments on Notes in foreign currencies will be made by the Domiciliary Agent based on the notification by the National Bank of Belgium, on the morning of the second Business Day preceding the Interest Payment Date, the Optional Redemption Date (Call), the Optional Redemption Date (Put) or the Maturity Date, of the nominal amounts of the Notes recorded in accounts in the name of Participants at the end of the previous Business Day.

Notes may be denominated in any currency, provided that Notes in such currency may be cleared and settled in the Securities Settlement System and subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Securities Settlement System exclusively clears securities denominated in currencies for which the European Central Bank daily publishes Euro foreign exchange reference rates.

**Transfer of Interests in the Notes**

Transfers of interests in the Notes between Participants will be effected in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the direct or indirect Participants through whom they have elected to hold their Notes. For Notes in foreign currencies, no transfer between Participants will be permitted during the two Business Days preceding an Interest Payment Date, an Optional Redemption Date (Call), an Optional Redemption Date (Put) or the Maturity Date.

The Issuer and the Domiciliary Agent will not have any responsibility for the performance by the Securities Settlement System or its Participants of their obligations under their respective rules and operating procedures.



**Issuer**

**Région wallonne**  
Rue Mazy 25/27  
5100 Jambes (Namur)  
Belgium

**Co-Arrangers**

**Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis**  
3 Montagne du Parc  
B-1000 Brussels  
Belgium

**ING Belgium SA/NV acting under the commercial name of ING Commercial Banking**  
Avenue Marnixlaan 24  
1000 Brussels  
Belgium

**Dealers**

**BARCLAYS Bank PLC**  
1 Churchill Place  
London, E14 5HP  
United Kingdom

**CBC Banque SA**  
Grand Place 5  
1000 Brussels  
Belgium

**Deutsche Bank acting through Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Dexia Bank NV/SA acting under the commercial name of Belfius**  
Pachecolaan 44  
1000 Brussels  
Belgium

**Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis**  
3 Montagne du Parc  
B-1000 Brussels  
Belgium

**HSBC France**  
103, avenue des Champs-Élysées  
75008 Paris  
France

**ING Belgium SA/NV acting under the commercial name of ING Commercial Banking**

Avenue Marnixlaan 24  
1000 Brussels  
Belgium

**KBC Bank NV**

Rue du Port 2  
1080 Brussels  
Belgium

**Domiciliary and Paying Agent**

**Dexia Bank NV/SA acting under the commercial name of Belfius**

Pachecolaan 44  
1000 Brussels  
Belgium

**Listing Agent**

**Banque Internationale à Luxembourg SA**

69, route d'Esch,  
L-2953 Luxembourg  
Luxembourg

**Legal Adviser to Région wallonne**

**Stibbe cvba/scrl**

Central Plaza – Loksumstraat 25 rue de Loxum  
BE-1000 Brussels  
Belgium

**Legal Adviser to the Co-Arrangers and the Dealers**

**Allen & Overy LLP**

Uitbreidingstraat 80  
B-2066 Antwerp  
Belgium