



## Crédit Agricole S.A.

### US\$500,000,000 7.375% Undated Deeply Subordinated Notes

Issue price: 100%

The US\$500,000,000 7.375% Undated Deeply Subordinated Notes (the “**Notes**”) of Crédit Agricole S.A. (the “**Issuer**”) will be issued outside the Republic of France on October 19, 2007 (the “**Issue Date**”) and will bear interest at a fixed rate of 7.375% per cent per annum from and including the Issue Date, payable semi-annually in arrear on October 19, and April 19 of each year, commencing on April 19, 2008 (each, an “**Interest Payment Date**”).

Payment of interest on the Notes will be compulsory if the Issuer pays dividends on its ordinary shares and in certain other circumstances described herein. Otherwise, the Issuer may elect, and in certain circumstances shall be required, not to pay interest falling due on the Notes. Any interest not paid shall be forfeited and no longer be due and payable by the Issuer. Interest accrued may also be reduced and forfeited if the Issuer’s consolidated regulatory capital falls below required levels and in certain other circumstances. (See “Terms and Conditions of the Notes – Interest and Interest Suspension”)

The Notes are undated and have no final maturity. The Notes may, at the option of the Issuer but subject to the prior approval of the *Secrétariat général de la Commission bancaire* (“**SGCB**”), be redeemed at par (in whole but not in part) on October 19, 2012 and on any Interest Payment Date thereafter. In addition, the Notes may, in case of certain tax or regulatory events, be redeemed at par at any time (in whole but not in part), subject to the prior approval of the SGCB. The principal amount of each Note may be written down to a minimum amount of one cent if the Issuer’s consolidated regulatory capital falls below required levels, subject to reinstatement in certain cases described herein. The Notes are subordinated to substantially all of the Issuer’s other obligations, including in respect of ordinarily subordinated debt instruments. (See “Terms and Conditions of the Notes – Status of the Notes and Subordination”).

The Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) is the competent authority in Luxembourg for the purpose of Directive n°2003/71/EC (the “**Prospectus Directive**”) and the Luxembourg law on prospectuses for securities of 10 July 2005, for the purpose of approving this Prospectus. Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the “**Luxembourg Stock Exchange**”) and to be traded on the regulated market of the Luxembourg Stock Exchange, which is an EU regulated market within the meaning of Directive 2004/39/EC (the “**EU regulated market of the Luxembourg Stock Exchange**”).

The Notes (i) will be offered to institutional investors by means of private placements in various jurisdictions in accordance with applicable regulations and (ii) may be offered to the public in certain jurisdictions and for a limited period as described herein. (See “Terms and Conditions of the Offer”). For the purpose of any such public offers, in accordance with the European passport mechanism set out in the Prospectus Directive, application has been made for a certificate of approval attesting the Prospectus has been drawn up in accordance with the Prospectus Directive to be provided by the CSSF to the relevant competent authorities in Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom. The Issuer may request the CSSF to provide such certificate of approval to the relevant competent authorities in other member states of the European Economic Area.

The Notes have been assigned a rating of “A” by Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc., “Aa3” by Moody’s Investor Service, Inc. and “AA-” by Fitch Ratings. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

**See “Risk Factors” below for certain information relevant to an investment in the Notes.**

The Notes have been accepted for clearance through Euroclear France S.A. (“**Euroclear France**”), Clearstream Banking, société anonyme (“**Clearstream Luxembourg**”) and Euroclear Bank S.A./N.V., (“**Euroclear**”). The Notes will on the Issue Date be entered (*inscrites en compte*) in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined in “Terms and Conditions of the Notes - Form, Denomination and Title” below).

The Notes will be issued in dematerialised bearer form in the denomination of \$2,000 each. The Notes will at all times be represented in book entry form (*dématérialisé*) in the books of the Account Holders in compliance with article L.211-4 of the French *Code monétaire et financier*. No physical document of title will be issued in respect of the Notes.

This Prospectus has not been submitted to the approval of the *Autorité des marchés financiers*.

**THE NOTES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SEE "SUBSCRIPTION AND SALE".**

**JOINT BOOK-RUNNING MANAGERS**

**CALYON Crédit Agricole CIB**

**JPMorgan**

**Merrill Lynch International**

**SENIOR CO-LEAD MANAGER**

**Credit Suisse**

**Prospectus dated October 16, 2007**

## **RESPONSIBILITY STATEMENT**

The Issuer (whose registered office appears on page 47 of this document) accepts responsibility for the information contained (or incorporated by reference) in this Prospectus. The Issuer, having taken all reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus has been prepared for the purpose of giving information with regard to the Issuer and the Notes and the listing of the Notes on the Luxembourg Stock Exchange. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Managers (as defined in "Subscription and Sale" herein). This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates. Neither the delivery of this Prospectus nor any sale hereunder shall create, under any circumstances, any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

**INVESTORS SHOULD SATISFY THEMSELVES THAT THEY UNDERSTAND ALL THE RISKS ASSOCIATED WITH MAKING INVESTMENTS IN THE NOTES. PROSPECTIVE INVESTORS THAT HAVE ANY DOUBT WHATSOEVER AS TO THE RISKS INVOLVED IN INVESTING IN THE NOTES SHOULD CONSULT THEIR PROFESSIONAL ADVISORS.**

This Prospectus has been prepared by the Issuer for use by the Managers in making offers and sales of the Notes outside the United States to non-U.S. Persons in reliance on Regulation S under the Securities Act.

Each purchaser of the Notes offered hereby will be deemed to have represented and agreed that it understands that the Notes have not been registered under the Securities Act, and the Notes may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person, except in accordance with Regulation S under the Securities Act.

**EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE NOTES OR POSSESSES OR DISTRIBUTES THIS PROSPECTUS AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NEITHER THE ISSUER NOR THE MANAGERS SHALL HAVE ANY RESPONSIBILITY THEREFOR.**

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Managers or any affiliate of any of them to subscribe for or purchase, any Notes in any jurisdiction by any person to whom it is unlawful to make such an offer or invitation in such jurisdiction. This Prospectus may only be used for the purposes for which it has been published.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on distribution of this Prospectus and other offering material relating to the Notes, see "Subscription and Sale".

References herein to "EUR", "euro" and "€" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union of 1 January 1999. References to "US\$" and "dollar" are to the lawful currency of the United States.

In connection with the issue of the Notes, CALYON (the "**Stabilising Manager**") (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the 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 applicable laws and rules.

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## SUMMARY

*This summary must be read as an introduction to this Prospectus. Any decision, by any investor, to invest in any Notes should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each EEA Member State, no civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court in an EEA Member State, the plaintiff may, under the national legislation of the EEA Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.*

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

### The Issuer

Crédit Agricole S.A. is the lead bank of the Crédit Agricole Group, which is France’s largest banking group, and one of the largest in the world based on shareholders’ equity. As at June 30, 2007, the Crédit Agricole S.A. Group had total consolidated assets of €1,391.9 billion, €41.9 billion in shareholders’ equity (excluding minority interests), €308.5 billion in French retail customer deposits (excluding certificates of deposits) and €17 billion in assets under management (excluding Italy).

Crédit Agricole S.A., formerly known as the Caisse Nationale de Crédit Agricole (“CNCA”), was created by public decree in 1920 to distribute advances to and monitor a group of regional mutual banks known as the “**Caisses Régionales**” on behalf of the French State. In 1988, the French State privatized CNCA in a mutualization process, transferring most of its interest in CNCA to the Caisses Régionales. Today, the Caisses Régionales include 39 regional banks that operate one of the two French retail networks of the Group. Crédit Agricole S.A. holds 25% interests in 38 of the Caisses Régionales (the “**Regional Banks**”), but does not hold any interest in the Caisse Régionale of Corsica.

Crédit Agricole S.A. acts as the central bank of the Crédit Agricole Group, coordinates its sales and marketing strategy, ensures the liquidity and solvency of each of the entities in the Crédit Agricole Network (which is defined by law to include primarily the Regional Banks and their own subsidiaries) and, through its specialized subsidiaries, designs and manages financial products that are distributed primarily by the Regional Banks. At the same time, the Regional Banks have extended a joint and several general guarantee which covers the obligations of Crédit Agricole S.A. to third parties. Through these reciprocal support mechanisms, the levels of risks incurred by creditors of Crédit Agricole S.A. and by those of the Regional Banks have become identical. As a result, the credit ratings of the debt issued by Regional Banks and Crédit Agricole S.A. are identical.

Crédit Agricole S.A. operates two French retail banking segments. The first consists of the Regional Banks, which are 25%-owned by Crédit Agricole S.A. (through non-voting shares). The second consists of the LCL (Crédit Lyonnais) retail banking network. In addition to retail banking services, the two networks offer life and non-life insurance, asset management, consumer credit, leasing, payment and factoring services.

Crédit Agricole S.A.’s specialized financial services segment includes consumer credit and specialized financing to businesses in the form of factoring and lease finance. The Group’s corporate and investment banking segment conducts both financing activities and capital markets and investment banking activities. Through its asset management, insurance and private banking segment, the Group is a leading mutual fund manager and insurance provider in France and offers private banking services in France, Switzerland, Luxembourg and Monaco. The Group’s international retail banking segment reflects its international expansion through acquisitions in Europe (in particular in Greece, Italy and Poland), a presence in Africa, and alliances and participations in Portugal.

### **Capital Adequacy Ratios**

Crédit Agricole Group's capital adequacy ratio as of June 30, 2007 was 10.4 per cent, including a Tier 1 ratio of 7.8 per cent. Credit Agricole S.A.'s capital adequacy ratio for the same period was 9.8 per cent, including a Tier 1 ratio of 8.9 per cent.

### **Risk Factors Relating to the Issuer**

Prior to making an investment decision, prospective investors should read this Prospectus and consider carefully the matters discussed under "Risk Factors" below. There are certain factors that may affect the Issuer's ability to fulfill its obligations under the Notes. In particular, prospective investors should consider the following risk factors related to the Issuer:

- (a) Exposure to unidentified or unanticipated risks despite the implementation of risk management procedures and methods; vulnerability related to specific political, macroeconomic and financial circumstances; decrease of the Issuer's net banking income due to adverse market conditions.
- (b) Exposure to the creditworthiness of the Issuer's customers and counterparties; recurrent risks related to the banking business such as increasing competition and extensive regulatory supervision.
- (c) The absence for the Issuer of voting control over the decisions by the Regional Banks due to the specific structure of the Crédit Agricole Group; and the controlling interest held by the Regional Banks in the Issuer's share capital.

## The Notes

<b>Description:</b>	US\$500,000,000 7.375% Undated Deeply Subordinated Notes, the proceeds of which will constitute Tier 1 Capital, subject to the limits on the portion of the Issuer's Tier 1 capital that may consist of hybrid securities in accordance with Applicable Banking Regulations and the interpretations of the <i>Secrétariat général de la Commission bancaire</i> (the “SGCB”). The initial principal amount of the Notes could exceed those limits at the time the Notes are issued.
<b>Joint Book-Running Managers:</b>	CALYON, J.P. Morgan Securities Ltd. and Merrill Lynch International.
<b>Senior Co-Lead Manager:</b>	Credit Suisse Securities (Europe) Limited.
<b>Principal Amount:</b>	US\$500,000,000.
<b>Issue Price:</b>	100 per cent.
<b>Fiscal Agent, Principal Paying Agent and Calculation Agent:</b>	CACEIS Corporate Trust S.A.
<b>Paying Agent in Luxembourg:</b>	CACEIS Bank Luxembourg.
<b>Denomination:</b>	\$2,000.
<b>Maturity:</b>	The Notes are undated perpetual obligations in respect of which there is no fixed redemption or maturity date.
<b>Status of the Notes:</b>	<p>The Notes are deeply subordinated notes issued pursuant to the provisions of Article L.228-97 of the French <i>Code de commerce</i>, as amended in particular by law no. 2003-706 on financial security dated August 1, 2003.</p> <p>The principal and interest on the Notes (which constitute <i>obligations</i> under French law) are direct, unconditional, unsecured, undated and deeply subordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and with all other present and future Deeply Subordinated Obligations and Support Agreement Claims, senior to the principal in respect of the T3CJ of the Issuer, and shall be subordinated to the present and future <i>prêts participatifs</i> granted to the Issuer and present and future <i>titres participatifs</i>, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.</p> <p>In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to holders of any classes of share capital issued by the Issuer and any reimbursement of the T3CJ (as defined in the “Terms and Conditions of the Notes- Definitions”).</p> <p>There will be no limitations on issuing debt, at the level of the Issuer or of any consolidated subsidiaries.</p>
<b>Regulatory Treatment:</b>	The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated <i>fonds propres de base</i> for the Issuer, subject to the limits on the portion of the Issuer's <i>fonds propres de base</i> that



may consist of hybrid securities in accordance with Applicable Banking Regulations (the “**Hybrid Securities Limit**”) as interpreted by the SGCB. The initial principal amount of the Notes could exceed this limit at the time the Notes are issued. *Fonds propres de base* (“**Tier 1 Capital**”) shall have the meaning given to it in Article 2 of Règlement no. 90-02 dated February 23, 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (the “**CRBF Regulation**”) or otherwise recognised as *fonds propres de base*. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated October 27, 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the “**BIS Press Release**”).

**Interest:**

Interest will be payable from and including October 19, 2007 (the “**Issue Date**”), at a rate of 7.375 per cent per annum, semi-annually in arrear on October 19, and April 19 of each year (each, an “**Interest Payment Date**”), commencing on April 19, 2008.

**Payments of Interest:**

The payment of interest will be mandatory on a Compulsory Interest Payment Date (as defined below). Interest in respect of the Notes on any other Interest Payment Date ( an “**Optional Interest Payment Date**”) may be forfeited under the circumstances described herein.

“**Compulsory Interest Payment Date**” means each Interest Payment Date as to which at any time during a period of one-year prior to such Interest Payment Date:

- (a) the Issuer has declared or paid a dividend (whether in cash, shares or any other form but excluding a dividend paid in additional shares), or more generally made a payment of any nature, on any class of share capital or on other equity securities issued by the Issuer, or on the T3CJ, or on Deeply Subordinated Obligations or under any Support Agreement, in each case to the extent categorised as Tier 1 Capital, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of share capital or on other equity or parity securities issued by the Issuer; or
- (b) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital or the T3CJ, by any means, with the exception of repurchases of share capital for purposes of making shares available to cover employee stock option, stock attribution or stock purchase programmes, regularisation of the Issuer’s share price, investment activities or holding shares with a view to their resale or exchange, particularly in connection with external growth transactions or the issuance of securities convertible into or exchangeable for the Issuer’s share capital; or
- (c) any subsidiary of the Issuer has declared or paid a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of share capital or on other equity securities issued by the Issuer or on any other Parity Securities qualifying as consolidated Tier 1 Capital of the Issuer.

*provided, however, that if a Supervisory Event occurred prior to such*

Interest Payment Date and is continuing, such Interest Payment Date shall only be a Compulsory Interest Payment Date if such Supervisory Event had occurred prior to the relevant event described in subparagraph (a), (b) or (c) above.

On any Interest Payment Date which is not a Compulsory Interest Payment Date (*i.e.* an Optional Interest Payment Date), the Issuer may, at its option, elect not to pay interest in respect of the Notes accrued to that date with a view to restoring its regulatory capital to allow the Issuer to ensure continuity of its activities without weakening its financial structure. Any interest not paid on such date shall be forfeited and no longer be due and payable by the Issuer.

In the event that a Supervisory Event has occurred during the Interest Period immediately preceding an Optional Interest Payment Date, the amount of Accrued Interest (*i.e.* interest accruing since the beginning of such Interest Period), if any, in respect of each Note shall automatically be suspended, and no interest on the Notes shall accrue or be payable by the Issuer with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Supervisory Event and ending on the date of the End of Supervisory Event, unless an event triggering a Compulsory Interest Payment Date subsequently occurs.

Such Accrued Interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event.

**Loss Absorption Upon Supervisory Event:**

The amount of Accrued Interest, if any, and thereafter, if necessary, the Current Principal Amount of the Notes may be reduced following a Supervisory Event (unless the Issuer first completes a capital increase or certain other transactions). The amount by which Accrued Interest and, as the case may be, the then Current Principal Amount are reduced, will be equal to the amount of the insufficiency of the share capital increase or any other proposed measures aiming at an increase of the Tier 1 Capital to remedy the Supervisory Event. For the avoidance of doubt, the first remedy to the capital deficiency event will be a share capital increase. See “Terms and Conditions of the Notes – Loss Absorption and Return to Financial Health”.

**Supervisory Event:**

Supervisory Event means the first date on which either of the following events occurs:

- (a) the total risk-based consolidated capital ratio of the Issuer, calculated in accordance with the Applicable Banking Regulations, falls below the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) the notification by the SGCB to the Issuer that the SGCB has determined, in its sole discretion, in view of the deteriorating financial condition of the Issuer, that the foregoing paragraph (a) of this definition would apply in the near term.

A Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has fallen below the relevant level.

**End of Supervisory Event:** End of Supervisory Event means, following a Supervisory Event, the first date on which either of the following events occurs:

- (a) if the Supervisory Event occurred pursuant to paragraph (a) of the definition of Supervisory Event, the total risk-based consolidated capital ratio of the Issuer, calculated in accordance with the Applicable Banking Regulations, complies with the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) if the Supervisory Event occurred pursuant to paragraph (b) of the definition of Supervisory Event, the notification by the SGCB to the Issuer that it has determined, in its sole discretion, in view of the financial condition of the Issuer, that the circumstances which resulted in the Supervisory Event have ended.

An End of Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has been restored to the relevant level.

**Return to Financial Health:** Return to Financial Health means a positive Consolidated Net Income recorded for at least two consecutive financial years reported following the End of Supervisory Event. The Current Principal Amount of the Notes may be reinstated following a Return to Financial Health, to the extent any such reinstatement does not trigger the occurrence of a Supervisory Event.

Whether or not a Return to Financial Health has occurred, the Issuer shall increase the Current Principal Amount of the Notes up to the Original Principal Amount in certain circumstances, including payment of dividends on share capital, redemption of the Notes or liquidation of the Issuer.

**Early Redemption:** The Notes may be redeemed (in whole but not in part) on October 19, 2012 and on any Interest Payment Date thereafter, at the option of the Issuer. Any such redemption will be at the Original Principal Amount.

The Issuer will also have the right, and in certain circumstances the obligation, to redeem the Notes at par at any time (in whole but not in part) in case of imposition of withholding tax, in case of loss of deductibility for corporate income tax purposes and in case of loss of Tier 1 Capital status (except as a result of the application of the Hybrid Securities Limit). Any such redemption will be at a price equal to the the Original Principal Amount plus accrued and unpaid interest.

Any early redemption is subject to the prior approval of the SGCB.

**Risk Factors relating to the Notes:** There are certain factors which are material for the purpose of assessing the risks associated with the Notes, including the following (each of which is described in more detail under “Risk Factors”):

- (a) The Notes are deeply subordinated obligations;
- (b) The principal amount of the Notes may be reduced to absorb losses of the Issuer;
- (c) There are certain restrictions on payments under the Notes;

- (d) There is no limitation on issuing or guaranteeing debt;
- (e) The Notes are undated securities;
- (f) The Notes may be redeemed under certain circumstances; and
- (g) There is no prior market for the Notes.

<b>Taxation:</b>	The Notes will, upon issue, benefit from an exemption from withholding tax as provided in “Terms and Conditions of the Notes”. If French law shall require any such deduction, the Issuer shall, to the extent permitted by law and subject to certain exceptions, pay additional amounts.
<b>Negative Pledge:</b>	There is no negative pledge in respect of the Notes.
<b>Event of Default:</b>	There will be an event of default in the event of the judicial liquidation ( <i>liquidation judiciaire</i> ) or liquidation for any other reason of the Issuer, in which case the rights of the Noteholders will be to the Original Principal Amount of the Notes plus accrued and unpaid Interest.
<b>Representation of Noteholders:</b>	The Noteholders will be grouped automatically for the defense of their respective common interests in a <i>masse</i> governed by the provisions of the French <i>Code de commerce</i> subject to certain exceptions and provisions (the “ <b>Masse</b> ”). The Masse will be a separate legal entity, and will be acting in part through one representative (the “ <b>Representative</b> ”) and in part through a general assembly of the Noteholders.
<b>Form of Notes:</b>	<p>The Notes will, upon issue be entered in the books of Euroclear France, which shall credit the accounts of the Account Holders, including Euroclear and the depositary bank for Clearstream Luxembourg.</p> <p>The Notes will be issued in bearer dematerialised form (<i>au porteur</i>) and will at all times be represented in book entry form in compliance with article L.211-4 of the <i>Code monétaire et financier</i>. No physical document of title will be issued in respect of the Notes.</p>
<b>Listing and admission to trading:</b>	Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange and to be traded on the regulated market of the Luxembourg Stock Exchange. Such listing is expected to occur on the Issue Date.
<b>Selling Restrictions:</b>	There are restrictions on the sale of the Notes and the distribution of offering material in various jurisdictions. See “Subscription and Sale”.
<b>Rating:</b>	The Notes have been assigned upon issue a rating of “Aa3” by Moody's Investors Service, Inc., “A” by Standard & Poor's Ratings Group and “AA-” by Fitch Ratings.
<b>Governing Law:</b>	French law.

### **Public Offer**

The Notes will be offered by certain banks, financial intermediaries and other authorised entities with the approval of the Issuer to the public in certain jurisdictions in the European Economic Area, including Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom during a period ending no later than 5:00 p.m. CET on October 23, 2007. Such offers shall not commence until all requirements necessary to any such offer to be made in accordance with all applicable laws, rules and regulations in such jurisdiction. (See “Terms and Conditions of the Offer”).

## **RISK FACTORS**

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

### **Risks Related to the Notes**

#### **The Notes are Deeply Subordinated Obligations**

The Issuer's obligations under the Notes are deeply subordinated obligations of the Issuer which are the most junior debt instruments of the Issuer, ranking *pari passu* among themselves and with all other present and future claims against the Issuer pursuant to Support Agreements and with Deeply Subordinated Obligations of the Issuer, senior to the principal in respect of the T3CJ of the Issuer, and subordinated to and ranking behind the claims of all other unsubordinated and ordinarily subordinated creditors of the Issuer, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer. The Issuer's obligations under the Notes rank in priority only to any classes of shares of the Issuer and the principal in respect of the T3CJ.

#### **Write-down mechanism following Supervisory Event**

The Notes are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as Tier 1 Capital for the Issuer, subject to the limits on the portion of the Issuer's Tier 1 capital that may consist of hybrid securities in accordance with Applicable Banking Regulations and the interpretations of the SGC. Such eligibility depends upon a number of conditions being satisfied and which are reflected in the terms and conditions of the Notes. One of these relates to the ability of the Notes and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, in certain circumstances and/or upon the occurrence of certain events, payments of interest under the Notes may be restricted and, in certain cases, forfeited and the amount of Accrued Interest and the Current Principal Amount of the Notes may be reduced.

#### **Restrictions on Payment**

For so long as the compulsory interest provisions do not apply, the Issuer may elect, and in certain circumstances shall be required, not to pay interest falling due on the Notes on any Interest Payment Date. Any interest not so paid on any such Interest Payment Date shall be forfeited and shall therefore no longer be due and payable by the Issuer, save as otherwise provided. See "Terms and Conditions of the Notes – Interest and Interest Suspension".

In addition, in certain circumstances, payment of interest will be suspended automatically upon the occurrence of a Supervisory Event. See "Terms and Conditions of the Notes – Interest and Interest Suspension".

The Accrued Interest and the Current Principal Amount of the Notes may be reduced, as required, on one or more occasions following a Supervisory Event. See "Terms and Conditions of the Notes – Loss Absorption and Return to Financial Health".

#### **No Limitation on Issuing Debt**

There is no restriction on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank senior in priority of payment to the Notes. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if the Issuer were liquidated (whether voluntarily or involuntarily), loss by Noteholders of their entire investment.

### **Undated Securities**

The Notes are undated securities, with no specified maturity date. The Issuer is under no obligation to redeem the Notes at any time (except as provided in "Terms and Conditions of the Notes – Redemption and Purchase"). The Noteholders have no right to require redemption of the Notes, except if a judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason. See "Terms and Conditions of the Notes - Event of Default" below.

### **Redemption Risk**

The Notes are undated obligations in respect of which there is no fixed redemption date. Nevertheless, the Notes may be redeemed at the option of the Issuer, in whole but not in part, (i) on the First Call Date and on any Interest Payment Date thereafter and (ii) at any time for certain tax or regulatory reasons. See "Terms and Conditions of the Notes – Redemption and Purchase". In certain circumstances for tax reasons (see "Terms and Conditions of the Notes – Redemption and Purchase"), the Issuer will be required to redeem the Notes in whole (but not in part). In each case, early redemption of the Notes is subject to the prior approval of the *Secrétariat général de la Commission bancaire*. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes.

### **No Prior Market for the Notes**

There is currently no existing market for the Notes, and there can be no assurance that any market will develop for the Notes or that Noteholders will be able to sell their Notes in the secondary market. There is no obligation to make a market in the Notes. Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange and to be traded on the regulated market of the Luxembourg Stock Exchange. There is no assurance of when such listing will be effective or whether such listing will be granted at all.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following English-language documents which have been previously published or are published simultaneously with this Prospectus and that have been filed with the Luxembourg competent authority for the purpose of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg, and shall be incorporated in, and form part of, this Prospectus (together, the “**Documents Incorporated by Reference**”):

- (a) The following section of the Issuer’s Base Prospectus, dated June 4, 2007, relating to the Issuer’s Euro Medium Term Note Programme (the “**EMTN Prospectus**”):
  - Risk Factors (other than risk factors relating to the Notes as defined in the EMTN Prospectus), which can be found on pages 19-21.
- (b) the English translation of the Issuer’s 2006 Registration Document, a French version of which was filed with the French *Autorité des marchés financiers* under no. D.07-0214 on March 22, 2007 (the “**RD**”);
- (c) the English translation of the Update A.01 to the RD, a French version of which was filed with the French *Autorité des marchés financiers* on May 3, 2007 (“**A.01**”);
- (d) the English translation of the the Update A.02 of the RD, a French version of which was filed with the French *Autorité des marchés financiers* on May 29, 2007 (“**A.02**”);
- (e) the English translation of the Update A.03 of the RD, a French version of which was filed with the French *Autorité des marchés financiers* on September 5, 2007 (“**A.03**”);
- (f) the audited consolidated financial statements of the Crédit Agricole S.A. Group for fiscal year 2005 and related notes and audit report (the “**Financial Statements 2005 for the Crédit Agricole S.A. Group**”), such information being at pages 116-213 of the English translation of the Issuer’s 2005 Registration Document, a French version of which was filed with the French *Autorité des marchés financiers* under no. D.06-0188 on March 30, 2006; and
- (g) the audited consolidated financial statements of the Crédit Agricole Group for fiscal year 2005 and related notes and audit report (the “**Financial Statements 2005 for the Crédit Agricole Group**”), such information being at pages 40-125 of the English translation of the update A.01 to the Issuer’s 2005 Registration Document, a French version of which was filed with the French *Autorité des marchés financiers* on May 11, 2006.

Notwithstanding the foregoing, (A) the report of the Chairman of the Board of Directors of the Issuer on internal control on pages 14 to 31 of the RD and any reference thereto shall not be deemed incorporated herein; (B) the report of the statutory auditors on the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control procedures relating to the preparation and processing of financial and accounting information on page 32 of the RD shall not be deemed incorporated herein; (C) the statement by Mr. Georges Pauget, *Directeur général* of the Issuer, on page 318 of the RD referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed incorporated herein; (D) the statement by Mr. Georges Pauget, *Directeur général* of the Issuer, on page 139 of the A.01 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed incorporated herein; (E) the statement by Mr. Georges Pauget, *Directeur général* of the Issuer, on page 55 of the A.02 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed incorporated herein; (F) the statement by Mr. Georges Pauget, *Directeur général* of the Issuer, on page 145 of the A.03 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed incorporated herein; and (G) any statement contained in the Documents Incorporated by Reference shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.



The Documents Incorporated by Reference are available on the website of the Luxembourg Stock Exchange (“www.bourse.lu”). For Luxembourg Stock Exchange purposes, the Documents Incorporated by Reference will also be available free of charge to the public at the offices of the Paying Agent in Luxembourg.

The following table cross-references the pages of this Prospectus to the Documents Incorporated by Reference with the main heading required under Annex IV of the Commission regulation No 809/2004 implementing the Prospectus Directive. Any information contained in the Documents Incorporated by Reference that is not cross-referenced in the following table is for informational purposes only.

<b>ANNEX IV</b>	<b>Page no. in the Documents Incorporated by Reference</b>
<b>1. Persons responsible</b>	
1.1. Persons responsible for the information	p. 318 RD, p. 139 A.01, p. 55 A.02, p.145 A.03
1.2. Statements by the persons responsible	p. 318 RD*, p. 139 A.01*, p. 55 A.02*, p.145 A.03*
<b>2. Statutory auditors</b>	
2.1. Names and addresses of the issuer’s auditors (together with their membership of a professional body)	p. 319 RD, p. 140 A.01, p. 56 A.02, p.146 A.03
2.2. Change of situation of the auditors	p. 319 RD, p. 140 A.01, p. 56 A.02, p.146 A.03
<b>3. Selected Financial Information</b>	
3.1. Selected key historical and interim period financial information summarizing the financial condition of the issuer	p. 6-10 RD, p. 6-8 2005 Registration Document
3.2. Comparative data from the same period in the prior fiscal year for interim period financial information	p. 3; 15-52 A.02, p. 3, 19-59
<b>4. Risk Factors</b>	p. 9 of this Prospectus (“Risk Factors”), p. 19-24 of the EMTN Prospectus, p. 87-97; 151-152; 172-191; 210; RD, p. 30-39; 78-96 A.01, p.34-35; 49; 64; 83-88 A.03
<b>5. Information about the issuer</b>	
5.1. History and development of the issuer	p. 48; 50-53 RD
5.1.1. Legal and commercial name	p. 286 RD
5.1.2. Place of registration and registration number	p. 286 RD

\* The statement by Mr. Georges Pauget regarding the “*lettres de fin de travaux*” is not incorporated by reference into the Prospectus.

<b>ANNEX IV</b>	<b>Page no. in the Documents Incorporated by Reference</b>
5.1.3. Date of incorporation and length of life	p. 286-287 RD
5.1.4. Domicile, legal form, legislation, country of incorporation, address and telephone number	p. 286-287 RD
5.1.5. Recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer's solvency	p., 66-67; 99-101; 161-167; 194-196; 221-222 RD, p. 41-42 A.01, p. 53-54 A.02, p. 60-61; 125-126; 102-104 and 142-144 A.03
<b>5.2. Investments</b>	
5.2.1. Description of principal investments since last published financial statements	p. 66-67; 161-167; 294-295 RD, p. 60-61; 102-104, 125-126 A.03
5.2.2. Principal future investments to which management has already made firm commitments	p. 99-101; 221-222; 295 RD, p. 53-54; p.125-126 A.02
5.2.3. Anticipated sources of funds to fulfill 5.2.2. commitments	p. 221-222; 294-295 RD
<b>6. Business overview</b>	
<b>6.1. Principal activities</b>	
6.1.1. Description of the issuer's principal activities	p. 54-64, 99-101; 296 RD
6.1.2. Significant new products and/or activities	p. 99-101; 296 RD
<b>6.2. Principal markets</b>	p. 56-64; 195-198 RD
<b>6.3. Competitive position</b>	p. 54-64 RD
<b>7. Organisational structure</b>	
7.1. Description of the group and of the issuer's position within it	p. 49; 135-137; 223-235 RD, p. 2 A.01, p.127-138 A.03
7.2. Dependence relationships within the group	N/A
<b>8. Trend information</b>	
8.1. Statement of no material adverse change	p. 46 of this Prospectus ("General Information"), p.296 RD
8.2. Trends, uncertainties, demands, commitments or events reasonably likely to have a material effect on prospects for at least the current financial year	p. 98-101 RD, p. 40-41 A.01, p. 64, 89-90 A.03
<b>9. Profit forecasts or estimates</b>	N/A

<b>ANNEX IV</b>	<b>Page no. in the Documents Incorporated by Reference</b>
9.1. Principal assumptions	N/A
9.2. Accountant or auditor statements	N/A
9.3. Comparable with historical financial information	N/A
<b>10. Administrative, management and supervisory bodies</b>	
10.1. Information concerning the administrative and management bodies	36-44 RD, p. 53-54 A.02, p. 142-143 A.03
10.2. Conflicts of interest	p. 44 RD
<b>11. Board practices</b>	
11.1. Information concerning audit committee	p. 17-18 RD
11.2. Statement of compliance with corporate governance regime(s)	N/A
<b>12. Major shareholders</b>	
12.1. Information concerning control	p. 8;105; 212; 301 RD, p. 46;123 A.03
12.2. Description of arrangements which may result in a change of control	p. 301 RD
<b>13. Financial information concerning the issuer's assets and liabilities, financial position, and profits and losses</b>	
13.1. Historical Consolidated financial information	p. 133-237 RD, p. 116-213 2005 Registration Document (i.e., the Financial Statements 2005 for the Crédit Agricole S.A. Group)
13.1 (a) Consolidated Balance Sheet	p. 142-143 RD, p. 124-125 2005 Registration Document
13.1 (b) Consolidated Income Statement	p. 141 RD, p. 123 2005 Registration Document
13.1(c) Consolidated Cash Flow Statement	p.145-146 RD, p. 127-128 2005 Registration Document
13.1(d) Accounting policies and explanatory notes	p.147-237 RD, p. 130-211 2005 Registration Document

<b>ANNEX IV</b>	<b>Page no. in the Documents Incorporated by Reference</b>
13.2. Financial statements	p. 133-237 RD
13.3. Auditing of historical annual financial information	p. 236-237; 282-283 RD (report on the parent company financials)
13.3.1. Statement of audit of the historical financial information	p. 236-237; 282-283 RD (report on the parent company financials); 212-213 2005 Registration Document
13.3.2. Other audited information	p. 236-237; 282-283 RD (report on the parent company financials)
13.3.3. Unaudited data	N/A
13.4. Date of latest financial information	December 31, 2006
13.5. Interim and other financial information	p. 3-52 A.02, p. 3-140 A.03
13.5.1. Quarterly or half yearly financial information and audit information	p. 3-52 A.02, p.3-140 A.03
13.5.2. Financial information for first 6 months of fiscal year including comparative statements	p.91-140 A.03
13.6. Legal and arbitration proceedings	p. 44; 97; 209-211 RD, p. 46 of this prospectus ("General Information"), p. 88 A.03
13.7. Significant change in the issuer's financial or trading position	p. 296 RD, p. 46 of this prospectus ("General Information")
<b>14. Additional Information</b>	
14.1. Share capital	p. 8; 104-106; 212; 221-222; 287 RD, p. 46;123 A.03
14.2. Memorandum and articles of association	p. 286-293 RD
<b>15. Material contracts</b>	p. 139-140; 296 RD, p. 46-47 A.01
<b>16. Third party information and statement by experts and declarations of any interest</b>	N/A
16.1. Information concerning the experts	N/A
16.2. Information concerning the third party	N/A
<b>17. Documents on display</b>	p. 296 RD, p. 14 A.02, p. 150 A.03, p. 46 of this Prospectus ("General Information")

## TERMS AND CONDITIONS OF THE OFFERS

The Notes may be offered by certain banks, financial intermediaries and other authorised entities with the approval of the Issuer to the public in certain jurisdictions in the European Economic Area, including Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom (the “Offers”) in accordance with the following terms and conditions:

**Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer:** US\$500,000,000.

**The time period, including any possible amendments, during which the offer will be open and description of the application process:**

**Start of the offer period:**

In respect of any jurisdiction, not earlier than the date on which all requirements necessary to enable any such offer in any such jurisdiction to be made in accordance with all applicable laws, rules and regulations in such jurisdiction which, at the date hereof, it is expected to be on or about October 17, 2007, at 9:00 a.m. Central European Time (“CET”), with respect to Ireland, the Netherlands, Spain, Portugal and the United Kingdom, and:

With respect to Germany: No earlier than the date on which the Prospectus has been deposited with the BaFin and the notification has been published in Germany in the Börsen-Zeitung, which at the date hereof is expected to be October 18, 2007.

**End of the offer period:**

No later than 5.00 p.m. CET on October 23, 2007.

Investors will be notified by the relevant Manager or any placers of their allocations of Notes and the settlement arrangements in respect thereof as soon as practicable after the end of the offer period.

**A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:**

Not applicable.

**Details of the minimum and/or maximum amount of application, (whether in number of Notes or aggregate amount to invest):**

Not applicable.

**Method and time limits for paying up the securities and for delivery of the Notes:**

The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant Manager or any placers of their allocations of Notes and the settlement arrangements in respect thereof.

**A full description of the manner and date in which results of the offer are to be made public:**

Not applicable.

**The procedure for the exercise of any**

Not applicable.

**right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised:**

**The various categories of potential investors to which the Notes are offered:**

Upon approval of this prospectus for use in connection with public offers, such offers may be made in Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom to any person. Until such time in such countries, and at all times in other EEA countries, offers will only be made by the Managers pursuant to an exemption under the Prospectus Directive as implemented in the relevant countries.

**Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:**

Investors will be notified by the relevant Manager of their allocations of Notes.

**An indication of the expected price at which the Notes will be offered or the method of determining the price and the process for its disclosure. Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser:**

The Notes will be issued at an issue price of 100 per cent of their nominal amount. Any investor intending to acquire any Notes from a bank, financial intermediary or other entity (other than a Manager in its capacity as such) will do so in accordance with any terms and other arrangements in place between the seller and such investor, including as to price, allocations and settlement arrangements. The Issuer will not be a party to such arrangements with investors, and accordingly investors must obtain such information from the relevant seller.

**Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or to the offeror, of the placers in the various countries where the offer takes place:**

The offer will be made by licensed banks, financial intermediaries and other entities duly authorised in the relevant jurisdictions.

**Name and address of any paying agents and depository agents in each country:**

The names and addresses of the paying agents with respect to the Notes are on pages 28 and 47 of this Prospectus and the names and addresses of the depository agents are on page 46 in the section "General Information" of this Prospectus.

Payments in respect of principal and interest on the Notes will be made by or on behalf of the Issuer through Euroclear France to the Account Holders for the benefit of the Noteholders.

**Name and address of the entities agreeing to underwrite the issue on a firm commitment basis, and name and address of the entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements. Indication of the material features of the agreements, including the quotas. Where not all of the issue is underwritten, a statement of the portion not covered. Indication of the overall amount of the underwriting commission and of the placing commission:**

The Managers, pursuant to a Subscription Agreement, agreed to procure subscription, failing which, to subscribe and pay for the Notes at a price equal to 100 per cent of their nominal amount. The Subscription Agreement provides that the Issuer will pay the Managers a combined management, selling and underwriting commission up to 1.65 per cent of the nominal amount of the Notes. See "Subscription and Sale" below.

The addresses of the Managers are set out at the end of this Prospectus.

**When the underwriting agreement has been or will be reached:**

The Subscription Agreement is dated October 16, 2007. See "Subscription and Sale".

For the avoidance of doubt, this Prospectus may not be used in any country for the purposes of any public offer of the Notes other than as described above and, in such cases, only until the end of the offer period as described above, unless otherwise authorised by the Issuer.

## TERMS AND CONDITIONS OF THE NOTES

The issue outside the Republic of France of the US\$500,000,000 7.375% Undated Deeply Subordinated Notes (the "**Notes**") of Crédit Agricole S.A. (the "**Issuer**") was decided on October 16, 2007 by the *Directeur de la Gestion Financière* of the Issuer, acting pursuant to a resolution of the board of directors (*conseil d'administration*) of the Issuer dated May 15, 2007. The Notes will be issued with the benefit of a fiscal agency agreement (the "**Fiscal Agency Agreement**") to be dated on or about October 19, 2007 between the Issuer, CACEIS Corporate Trust S.A. as fiscal agent and principal paying agent (the "**Fiscal Agent**", which expression shall, where the context so admits, include any successor for the time being of the Fiscal Agent), the other paying agents named therein (together, the "**Paying Agents**", which expression shall, where the context so admits, include the Fiscal Agent and any successors for the time being of the Paying Agents or any additional paying agents appointed thereunder from time to time) and CACEIS Corporate Trust S.A. as calculation agent (the "**Calculation Agent**", which expression shall, where the context so admits, include any successor for the time being of the Calculation Agent). Reference below to the "**Agents**" shall be to the Fiscal Agent, the Paying Agents and/or the Calculation Agent, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References below to "Conditions" are, unless the context otherwise requires, to the numbered paragraphs below.

### 1. DEFINITIONS

For the purposes of these Conditions:

"**Accrued Interest**" is only applicable with respect to an Interest Period whose Interest Payment Date is an Optional Interest Payment Date and means, with respect to the period from (and including) the immediately preceding Interest Payment Date (or in the case of the first Interest Payment Date, the Issue Date) to (but excluding) the date of the occurrence of a Supervisory Event, the amount of interest accrued on the Notes during such period as calculated by the Calculation Agent.

"**Applicable Banking Regulations**" means, at any time, the capital adequacy or own funds regulations then in effect of the regulatory authority in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other relevant jurisdiction) having authority to adopt capital adequacy or own funds regulations with respect to the Issuer.

"**BIS Press Release**" has the meaning set forth in Condition 3.

"**Compulsory Interest Payment Date**" means each Interest Payment Date as to which at any time during a period of one year prior to such Interest Payment Date:

- (i) the Issuer has declared or paid a dividend (whether in cash, shares or any other form but excluding a dividend paid in additional shares), or more generally made a payment of any nature, on any class of share capital or on other equity securities issued by the Issuer, or on the T3CJ, or on Deeply Subordinated Obligations or under any Support Agreement, in each case to the extent categorised as Tier 1 Capital, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of share capital or on other equity or parity securities issued by the Issuer;
- (ii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital or the T3CJ, by any means, with the exception of repurchases of share capital for purposes of making shares available to cover employee stock option, stock attribution or stock purchase programmes, regularisation of the Issuer's share price, investment activities or holding shares with a view to their resale or exchange, particularly in connection with external growth transactions or the issuance of securities convertible into or exchangeable for the Issuer's share capital; or
- (iii) any subsidiary of the Issuer has declared or paid a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of share capital or on other equity securities issued by the Issuer or on any other Parity Securities qualifying as consolidated Tier 1 Capital of the Issuer,



*provided, however, that if a Supervisory Event has occurred prior to such Interest Payment Date and is continuing, such Interest Payment Date shall only be a Compulsory Interest Payment Date if such Supervisory Event had occurred prior to the relevant event described in sub-paragraph (i), (ii) or (iii) above.*

For the avoidance of doubt, there will be no Compulsory Interest Payment Date in the event of a redemption or repurchase by the Issuer or any subsidiary of the Issuer of any Parity Securities, Deeply Subordinated Obligations (including the Notes) or any other securities issued by the Issuer or any loans granted to the Issuer which rank *pari passu* with the Notes.

**"Consolidated Net Income"** means the consolidated net income (excluding minority interests) of the Issuer, as calculated and set out in the audited annual consolidated accounts of the Issuer adopted by the Issuer's shareholders' general meeting.

**"CRBF Regulation"** has the meaning set forth in Condition 3.

**"Current Principal Amount"** means at any time the principal amount of the Notes, calculated on the basis of the Original Principal Amount of the Notes as such amount may be reduced, on one or more occasions, pursuant to the application of the Loss Absorption mechanism and/or reinstated on one or more occasions following a Return to Financial Health, as the case may be, pursuant to Conditions 5.1 and 5.2.

**"Deeply Subordinated Obligations"** means deeply subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank *pari passu* among themselves and with the Notes, senior to the principal in respect of the T3CJ and any classes of share capital issued by the Issuer, and behind the present and future *prêts participatifs* granted to the Issuer, the present and future *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations. For the avoidance of doubt, the T3CJ are not to be considered as Deeply Subordinated Obligations.

**"Early Redemption Date"** means the date set for redemption under Condition 6.2.

**"End of Supervisory Event"** means, following a Supervisory Event, the first date on which either of the following events occurs:

- (a) if the Supervisory Event occurred pursuant to paragraph (a) of the definition of Supervisory Event, the total risk-based consolidated capital ratio of the Issuer, calculated in accordance with the Applicable Banking Regulations, complies with the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) if the Supervisory Event occurred pursuant to paragraph (b) of the definition of Supervisory Event, the notification by the SGCB to the Issuer that it has determined, in its sole discretion, in view of the financial condition of the Issuer, that the circumstances which resulted in the Supervisory Event have ended.

An End of Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has been restored to the relevant level.

**"Existing Support Agreements"** means the following support agreements:

- (a) the Support Agreement, dated as of 30 January, 2003 and as amended from time to time, between the Issuer and CA Preferred Funding LLC relating to CA Preferred Funding LLC's 7.0% Noncumulative Preferred Securities;
- (b) the Support Agreement, dated as of 6 August, 2003, between the Issuer and CA Preferred Funding LLC, relating to the 7.0% Noncumulative Company Preferred Securities of CA Preferred Funding LLC; and
- (c) the Support Agreement, dated as of 19 December, 2003, between the Issuer and CA Preferred Funding LLC, relating to the 6.0% Noncumulative Company Preferred Securities of CA Preferred Funding LLC.

**"First Call Date"** means October 19, 2012.

**"Fixed Interest Rate"** has the meaning set forth in Condition 4.

**"Interest Amount"** has the meaning set forth in Condition 4.

**"Interest Payment Date"** has the meaning set forth in Condition 4.

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

**"Hybrid Securities Limit"** has the meaning set forth in Condition 3.

**"Loss Absorption"** has the meaning set forth in Condition 5.

**"Noteholders"** means the holders of the Notes.

**"Optional Interest Payment Date"** means any Interest Payment Date other than a Compulsory Interest Payment Date.

**"Ordinarily Subordinated Obligations"** means subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank in priority to the present and future *prêts participatifs* granted to the Issuer, the present and future *titres participatifs* issued by the Issuer, Support Agreement Claims, Deeply Subordinated Obligations and the Notes.

**"Original Principal Amount"** means the principal amount of the Notes on the Issue Date (*i.e.* USD\$500,000,000) not taking into account any Loss Absorption or Reinstatement.

**"Parity Securities"** means any preferred securities or preferred or preference shares issued by any subsidiary of the Issuer (including in particular CA Preferred Funding LLC), the proceeds of which are eligible as consolidated *fonds propres de base* for the Issuer, to the extent that such subsidiary benefits from any Support Agreement.

**"Return to Financial Health"** has the meaning set forth in Condition 5.

**"Supervisory Event"** means the first date on which either of the following events occurs:

- (a) the total risk-based consolidated capital ratio of the Issuer, calculated in accordance with the Applicable Banking Regulations, falls below the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) the notification by the SGCb to the Issuer, that it has determined, in its sole discretion, in view of the deteriorating financial condition of the Issuer, that the foregoing paragraph (a) of this definition would apply in the near term.

A Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has fallen below the relevant level.

**"Support Agreement"** means the Existing Support Agreements and any other guarantee, support agreement or other agreement or instrument issued by the Issuer in favour of an issuer of Parity Securities and having a similar effect to the Existing Support Agreements, if claims under such guarantee, support agreement or other agreement or instrument rank behind present and future *prêts participatifs* granted to the Issuer, present and future *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations and in priority to any principal payments to holders of T3CJ and any classes of share capital issued by the Issuer.

**"Support Agreement Claim"** means any claim against the Issuer by any subsidiary of the Issuer pursuant to a Support Agreement.

**"SGCB"** means the *Secrétariat général de la Commission bancaire* which reference shall, where applicable, include any other authority having supervisory authority with respect to the Issuer.

**"T3CJ"** means undated hybrid capital securities in the amount of €1,839 million issued by the Issuer to an entity wholly-owned by the *Caisses Régionales* on June 26, 2003.

**"Tier 1 Capital"** has the meaning set forth in Condition 3.

**"Unsubordinated Obligations"** means unsubordinated obligations of the Issuer which rank in priority to Ordinarily Subordinated Obligations.

## 2. FORM, DENOMINATION AND TITLE

The Notes are issued in dematerialised bearer form (*au porteur*) in the denomination of \$2,000. Title to the Notes will be evidenced in accordance with article L.211-4 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

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

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

## 3. STATUS OF THE NOTES AND SUBORDINATION

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of article L. 228-97 of the French *Code de commerce*, as amended in particular by law n°2003-706 on financial security dated August 1, 2003.

The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated *fonds propres de base* for the Issuer subject to the limits on the portion of the Issuer's *fonds propres de base* that may consist of hybrid securities in accordance with Applicable Banking Regulations (the "**Hybrid Securities Limit**") as interpreted by the SGCB. The initial principal amount of the Notes could exceed this limit at the time the Notes are issued. *Fonds propres de base* ("**Tier 1 Capital**") shall have the meaning given to it in Article 2 of *Règlement* no. 90-02 dated February 23, 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (the "**CRBF Regulation**") or otherwise recognised as *fonds propres de base* by the SGCB. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated October 27, 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the "**BIS Press Release**").

The principal and interest on the Notes (which constitute *obligations* under French law) are direct, unconditional, unsecured, undated and deeply subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and with all other present and future Support Agreement Claims and Deeply Subordinated Obligations, senior to the principal in respect of the T3CJ of the Issuer, and shall be subordinated to the present and future *prêts participatifs* granted to the Issuer and present and future *titres participatifs*, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to any classes of share capital issued by the Issuer and any reimbursement of the T3CJ.

There will be no limitations on issuing debt, at the level of the Issuer or of any consolidated subsidiaries.

## 4. INTEREST AND INTEREST SUSPENSION

### 4.1 General

The Notes bear interest on their Current Principal Amount at a fixed rate of 7.375 per cent per annum (the "**Fixed Interest Rate**") from (and including) October 19, 2007 (the "**Issue Date**"), payable semi-annually in arrear on October 19 and April 19 of each year, (each, an "**Interest Payment Date**"), commencing on April 19, 2008.

Interest will cease to accrue on the Notes on the due date for redemption thereof unless, upon such due date, payment of principal is improperly withheld or refused or if default is otherwise made in respect of payment thereof. In such event, interest will continue to accrue at the relevant rate as specified in the preceding paragraph (as well after as before judgment) on the Original Principal Amount of the Notes until the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholder.

## 4.2 Interest Rate

4.2.1 The amount of interest (the "**Interest Amount**") payable on the Notes on the Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Fixed Interest Rate, multiplied by the Day Count Fraction and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

4.2.2 If interest is required to be calculated in respect of the Interest Period where the Current Principal Amount of the Notes is less than their Original Principal Amount for a portion thereof, it shall be calculated by the Calculation Agent by applying the Fixed Interest Rate to the Current Principal Amount of the Notes as determined from time to time within the Regular Period, multiplying such product by the Day Count Fraction for each relevant portion of a Regular Period, adding the results for all such portions and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards). The Calculation Agent will cause such Interest Amount to be notified to the Issuer, the Fiscal Agent, the Luxembourg Stock Exchange and, to the extent so required by any applicable rules, any other stock exchange on which the Notes are listed from time to time and will cause the publication thereof in accordance with Condition 11 as soon as possible after its determination but in no event later than the fourth Business Day thereafter.

For the purposes of this Condition 4:

"**Day Count Fraction**" means the number of days in the Interest Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months; and

"**Regular Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

## 4.3 Compulsory Interest and Optional Interest

### 4.3.1 On any Compulsory Interest Payment Date

The Issuer shall, on each Compulsory Interest Payment Date, for so long as the compulsory interest provisions apply (as set out in the definition of "**Compulsory Interest Payment Date**"), pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Compulsory Interest Payment Date.

Interest accrued and payable on any Compulsory Interest Payment Date is not subject to reduction in accordance with Condition 5.1.

### 4.3.2 On any Optional Interest Payment Date

For so long as the compulsory interest provisions do not apply, the Issuer may elect not to pay interest on any Optional Interest Payment Date.

On any Optional Interest Payment Date, the Issuer may, at its option, pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Optional Interest Payment Date, but the Issuer shall have, subject to such election and decision having been made as described above, no obligation to make such payment and any such failure to pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Notice of non-payment of all or any interest under the Notes on any Optional Interest Payment Date shall be given to the Noteholders in accordance with Condition 11 and (for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange so require) to the Luxembourg Stock Exchange. Such notice shall be given at least seven days prior to the relevant Optional Interest Payment Date.

Save as otherwise provided, any interest not paid on an Optional Interest Payment Date will be forfeited and accordingly will no longer be due and payable by the Issuer.

The amount of Accrued Interest in respect of the Interest Period ending immediately prior to any Optional Interest Payment Date may be reduced following a Supervisory Event, as provided in Condition 5.1.

Payment of interest will automatically be suspended upon the occurrence of a Supervisory Event (and until the occurrence of an End of Supervisory Event), unless the relevant Interest Payment Date is a Compulsory Interest Payment Date.

#### 4.4 Optional Interest and Supervisory Event

##### 4.4.1 Interest Payable on Optional Interest Payment Dates Following the Occurrence of a Supervisory Event

In the event that a Supervisory Event has occurred during the Interest Period immediately preceding an Optional Interest Payment Date:

- (x) the accrual of interest, if any, in respect of the Notes shall automatically be suspended. In addition, the amount of Accrued Interest may be reduced to absorb losses in accordance with Condition 5.1; and
- (y) no interest on the Notes shall accrue nor be payable by the Issuer with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Supervisory Event and ending on the date of the End of Supervisory Event, unless an event triggering a Compulsory Interest Payment Date subsequently occurs.

Such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event.

##### 4.4.2 Interest Payable on Optional Interest Payment Dates after End of Supervisory Event

At the option of the Issuer, any Accrued Interest, to the extent not reduced to absorb losses in accordance with Condition 5.1, may be paid on the first Optional Interest Payment Date falling on or after the date of the End of Supervisory Event. Any Accrued Interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

In respect of any Optional Interest Payment Date which occurs on or after the End of Supervisory Event, interest on the Notes will recommence accruing on its Current Principal Amount, on the basis of the number of days elapsed during the period from (and including) the date of End of Supervisory Event to (but excluding) the next succeeding Interest Payment Date as calculated by the Calculation Agent in accordance with Condition 4.2. At the option of the Issuer, such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event (inclusive). Any such interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

## 5. LOSS ABSORPTION AND RETURN TO FINANCIAL HEALTH

### 5.1 Loss Absorption

In the event of the occurrence of a Supervisory Event, the board of directors of the Issuer will convene an extraordinary shareholders' meeting within the three months following the occurrence of the Supervisory Event in order to propose a share capital increase or any measure regarded as necessary or useful to remedy the Supervisory Event. If the share capital increase or any proposed measures are not accepted by the extraordinary shareholders' meeting or if the share capital increase is not sufficiently subscribed to remedy the Supervisory Event, or if the Supervisory Event remains on the last day of the calendar quarter following the quarter during which the Supervisory Event has occurred, the Issuer will implement, within 10 Business Days following the last day of this quarter, a reduction of the amount of Accrued Interest, if any, and thereafter, if necessary, of the Current Principal Amount of the Notes ("**Loss Absorption**"). A Loss Absorption will firstly be implemented by partially or fully reducing the amount of the Accrued Interest, if any. If the total reduction of Accrued Interest is not sufficient for the purpose of the Loss Absorption, a further Loss Absorption will be implemented by partially or fully reducing the Current Principal Amount of the Notes.

The amounts by which Accrued Interest and, as the case may be, the then Current Principal Amount of the Notes are reduced (the "**Reduction Amounts**") will be equal to the amount of the insufficiency of the share capital increase or any other proposed measures aiming at an increase of the Tier 1 Capital to remedy the Supervisory Event.

Notwithstanding any other provision, the Current Principal Amount of each Note shall never be reduced to an amount lower than one cent of one euro.

For the avoidance of doubt, the first remedy to the Supervisory Event will be the share capital increase. To the extent such increase of share capital or other measures are not sufficient, the Loss Absorption will be applied first against the amount of Accrued Interest, if any, and thereafter, if necessary, against the Current Principal Amount of the Notes as herein described.

Accrued Interest and the Current Principal Amount of the Notes pursuant to the above provision may be reduced on one or more occasions, as required.

In the event that other Deeply Subordinated Obligations which would be subject to such reductions are outstanding, such reductions will be applied on a pro-rata basis among the Notes and such other Deeply Subordinated Obligations.

Interest accrued and payable on any Compulsory Interest Payment Date is not subject to reduction.

Notice of any Supervisory Event and of any End of Supervisory Event shall be given to the Noteholders in accordance with Condition 11 and (for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) to the Luxembourg Stock Exchange. Such notice shall be given as soon as practicable following the occurrence of a Supervisory Event and of any End of Supervisory Event. Notice of any reduction of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and (for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) to the Luxembourg Stock Exchange. Such notices shall also be given to the Noteholders in accordance with the rules of any additional exchanges on which the Notes may be listed following their issuance. Such notice shall be given at least seven Business Days prior to the relevant reduction of the Current Principal Amount.

## 5.2 Return to Financial Health

If a positive Consolidated Net Income is recorded for at least two consecutive financial years reported following the End of Supervisory Event (a "**Return to Financial Health**"), the Issuer shall increase the Current Principal Amount of the Notes (a "**Reinstatement**") in a maximum amount that will ensure that any such Reinstatement (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount) does not trigger the occurrence of a Supervisory Event.

Whether or not a Return to Financial Health has occurred, the Issuer shall increase the Current Principal Amount of the Notes up to the Original Principal Amount (which shall also constitute a "**Reinstatement**") prior to:

- (i) any declaration or payment of a dividend (whether in cash, shares or any other form but excluding a dividend paid in additional shares), or more generally any payment of any nature, by the Issuer on any class of share capital or on other equity securities issued by the Issuer, in each case to the extent categorised as Tier 1 Capital, on the T3CJ, or on Deeply Subordinated Obligations or under any Support Agreement, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of such share capital or on other such equity securities issued by the Issuer; or
- (ii) any declaration or payment by any subsidiary of the Issuer of a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of such share capital or on other such equity securities issued by the Issuer or on any other Parity Securities; or
- (iii) any optional redemption by the Issuer of the Notes in accordance with their terms.

No payments will be made to holders of the T3CJ, of shares of any class whatsoever of the share capital of the Issuer or of any other equity securities issued by the Issuer, in each case to the extent categorised as Tier 1 Capital, before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

No such Reinstatement shall be made in the event of a redemption or repurchase by the Issuer or any subsidiary of the Issuer of any Parity Securities, other Deeply Subordinated Obligations or any other securities issued by the Issuer or any loans granted to the Issuer which rank *pari passu* with the Notes or in the event of a redemption, repurchase or other acquisition by the Issuer of the T3CJ or of any class of its share capital.

The amount of any Reinstatement will not exceed the amount of the latest positive Consolidated Net Income of the Issuer.

For the avoidance of doubt, any Reinstatement shall be made in a maximum amount that will ensure that such Reinstatement does not trigger the occurrence of a Supervisory Event or, except with respect to Condition 5.2 (iii) above, a worsening of a Supervisory Event.

In the event that other Deeply Subordinated Obligations are outstanding and may also benefit from a reinstatement or an increase of their Current Principal Amount in accordance with their terms, any Reinstatement will be applied on a pro-rata basis with other reinstatements or increases of the principal amount made on such other Deeply Subordinated Obligations.

Such Reinstatement or increase of the Current Principal Amount of the Notes shall be made on one or more occasions in the conditions described above until the Current Principal Amount of the Notes has been reinstated to the Original Principal Amount (save in the event of occurrence of another Supervisory Event).

Any Accrued Interest that has been reduced pursuant to Condition 5.1 shall not be reinstated pursuant to this Condition 5.2.

Notice of any Return to Financial Health shall be given to the Noteholders in accordance with Condition 11 and (for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) the Luxembourg Stock Exchange. Notice of any Reinstatement and any increase of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and (for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) to the Luxembourg Stock Exchange. Notice shall also be given to the Noteholders in accordance with the rules of any additional exchanges on which the Notes may be listed following their issuance.

## 6. REDEMPTION AND PURCHASE

The Notes may not be redeemed otherwise than in accordance with this Condition 6.

### 6.1 No Final Redemption

The Notes are undated obligations in respect of which there is no fixed redemption date.

### 6.2 Issuer's Call Options Subject to the Approval of the SGCB

#### (a) General Call Option

On the First Call Date and on any Interest Payment Date thereafter, the Issuer, subject to having given not less than 30, and not more than 60, days' prior notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to prior approval of the SGCB, may, at its option, redeem all but not some of the Notes at their Original Principal Amount, together with any amounts outstanding thereon, including Accrued Interest.

#### (b) Redemption for Regulatory Reasons or Taxation Reasons

(i) If by reason of any change in French law, any change in Applicable Banking Regulations, or any change in the official application or interpretation of such laws or regulations, becoming effective on or after the Issue Date, the Notes cease to be eligible as Tier 1 Capital for the Issuer (except as a result of the application of the Hybrid Securities Limit), the Issuer may, at its option, at any time, subject to having given not more than 60 nor less than 30 day's notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at a price equal to the Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest date on which the proceeds of the Notes could qualify as Tier 1 Capital.

(ii) If by reason of any change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), or any other change in the tax treatment of the Notes, becoming effective on or after the Issue Date, interest payment under the Notes is no longer tax-deductible by the Issuer for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes, the Issuer may, at its option, at any time, subject to having given not more than 60 nor less than 30 day's notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at a price equal to the Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes.

(iii) If by reason of a change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8, the Issuer may, at any time, subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date and on any Interest Payment Date thereafter at their Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

(iv) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date and on any Interest Payment Date thereafter at their Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

### 6.3 Purchases

The Issuer may at any time purchase Notes in the open market or otherwise at any price provided that the prior approval of the SGCB shall have to be obtained.

### 6.4 Cancellation

All Notes which are purchased or redeemed by the Issuer pursuant to paragraphs 6.2 to 6.3 of this Condition 6 will be cancelled and accordingly may not be reissued or sold.

## 7. PAYMENTS AND CALCULATIONS

### 7.1 Method of Payment

Payments in respect of principal and interest on the Notes will be made in dollars by credit or transfer to a dollar denominated account (or any other account to which dollars may be credited or transferred) specified by the payee with a bank in the European Economic Area or the United States of America. Such payments shall be made for the benefit of the Noteholders to the Account Holders (including Euroclear and the depositary banks for Clearstream, Luxembourg) and all payments validly made to such Account Holders in favour of Noteholders will be an effective discharge of the Issuer and the Fiscal Agent, as the case may be, in respect of such payment.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged by the Issuer, the Fiscal Agent or any Paying Agent to the Noteholders in respect of such payments.

### 7.2 Payments on Business Days

If the due date for payment of any amount of principal or interest in respect of any Note is not a Business Day (as defined below), payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholder shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purposes of these Conditions, "**Business Day**" means any day, not being a Saturday or a Sunday, (i) on which exchange markets and commercial banks are open for business in London and New York and (ii) on which Euroclear France, Euroclear and Clearstream, Luxembourg are operating.



### 7.3 Fiscal Agent, Paying Agents and Calculation Agent

The name and specified office of the initial Fiscal Agent, the name and specified office of the other initial Paying Agent and the name and specified office of the initial Calculation Agent are as follows:

#### FISCAL AGENT, PRINCIPAL PAYING AGENT AND CALCULATION AGENT

CACEIS Corporate Trust S.A.  
1/3, place Valhubert  
75013 Paris  
France

#### LUXEMBOURG PAYING AGENT

CACEIS Bank Luxembourg  
5 Allée Scheffer L-2520  
Luxembourg  
Grand Duchy of Luxembourg

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent(s), Calculation Agent and/or appoint a substitute Fiscal Agent, Paying Agent, Calculation Agent and additional or other Paying Agents or approve any change in the office through which the Fiscal Agent, the Calculation Agent or any Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city, (ii) so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, a Paying Agent having a specified office in Luxembourg (which may be the Fiscal Agent), and (iii) so long as any Note is outstanding, a Calculation Agent having a specified office in a European city. If the Calculation Agent is unable or unwilling to continue to act as such or if the Calculation Agent fails to make any calculations in relation to the Notes, the Issuer shall appoint some other leading European bank engaged in the Euro inter-bank market (acting through its principal European office) to act in its place, subject to having given notice to the Noteholders in accordance with Condition 11 not more than 45 nor less than 30 days prior to such appointment. The Calculation Agent may not resign its duties without a successor having been so appointed. Any notice of a change in Fiscal Agent, Paying Agent, Calculation Agent or their specified office shall be given to Noteholders as specified in Condition 11.

### 7.4 Certificates to be final

All certificates, communications, opinion, determinations, calculation, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of these Conditions whether by the Calculation Agent shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents, the Fiscal Agent, and all the Noteholders. No Noteholder shall (in the absence as aforesaid) be entitled to proceed against the Calculation Agent or any of them in connection with the exercise or non-exercise by them of their powers, duties and discretions.

## 8. TAXATION

### 8.1 Withholding Tax Exemption

Since the Notes constitute *obligations* under French law and are issued outside of France through an international syndicate, payments of interest and other revenues made by the Issuer in respect of the Notes to Noteholders who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in the Instruction of the *Direction Générale des Impôts* 5 I-11-98 dated 30 September 1998) from the exemption from withholding tax provided for in Article 131 *quater* of the French *Code Général des Impôts* (General Tax Code). Accordingly, such payments do not give the right to any tax credit from any French source.

### 8.2 Additional Amounts

If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note, after such deduction or withholding, will

receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a Noteholder (or beneficial owner (*ayant droit*)):

- (a) who is subject to such taxes, duties, assessments or other governmental charges in respect of such Note by reason of his having some present or former connection with the Republic of France other than the mere holding of such Note; or
- (b) who could avoid such deduction or withholding by making a declaration of non-residence or similar claim for exemption or reduction of the applicable deduction or withholding but fails to do so; or
- (c) more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to such additional amounts on the last day of such period of 30 days; or
- (d) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusion of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) who would be able to avoid such withholding or deduction if payments were made by another Paying Agent in a Member State of the European Union.

For this purpose, the "**Relevant Date**" in relation to any Note means whichever is the later of (A) the date on which the payment in respect of such Note first becomes due and payable, and (B) if the full amount of the moneys payable on such date in respect of such Note has not been received by the Fiscal Agent on or prior to such date, the date on which notice is given in accordance with Condition 11 to Noteholders that such moneys have been so received.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8.

### 8.3. Supply of Information

Each Noteholder shall be responsible for supplying to the relevant Paying Agent, in a timely manner, any information as may be required by the latter in order for it to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

## 9. EVENT OF DEFAULT

If any judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer has been liquidated for any other reason, then the Notes shall become immediately due and payable as described below.

The rights of the Noteholders in the event of a liquidation of the Issuer will be calculated on the basis of the Original Principal Amount of the Notes together with interest accrued and due in accordance with the Conditions and any other outstanding payments under the Notes. No payments will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer (including creditors of Unsubordinated Obligations of the Issuer, creditors of Ordinarily Subordinated Obligations of the Issuer, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer, but excluding Deeply Subordinated Obligations and Support Agreement Claims, which will be paid pro rata with the Notes) have been paid by the Issuer, as ascertained by the judicial liquidator.

No payments will be made to holders of shares of any class whatsoever of the share capital of the Issuer and no reimbursement of the T3CJ will be made before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer, as ascertained by the judicial liquidator.

## 10. REPRESENTATION OF THE NOTEHOLDERS

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

The Masse will be governed by the provisions of the French *Code de Commerce* (with the exception of the provisions of articles L. 228-48, L. 228-59, L.228-65-II, R.228-63, R.228-67, R.228-69 and R.228-72 thereof) subject to the following provisions.

### 10.1 Legal Personality

The Masse will be a separate legal entity and will be acting in part through one representative (hereinafter called "Representative") and in part through a general assembly of the Noteholders.

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

### 10.2 Representative

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

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

The following person is designated as Representative:

Bertrand Delaitre  
33 rue des Tulipiers  
93110 Rosny sous Bois  
France

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

Evelyne Lefort  
1 rue Debœuf  
94350 Villiers sur Marne  
France

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

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

The Issuer shall pay to the Representative an amount of €200 per year payable on the anniversary of the Issue Date in each year, commencing on the first such anniversary in 2008. The Alternative Representative will only become entitled to the annual remuneration of €200 if it exercises the duties of Representative on a permanent basis; such remuneration will accrue from the day on which it assumes such duties.

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

### 10.3 Powers of the Representative

The Representative shall, in the absence of any decision to the contrary of the general assembly of Noteholders, have the power to take all acts of management to defend the common interests of the Noteholders. All legal proceedings against the Noteholders or initiated by them, must be brought against the Representative or by it.

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

### 10.4 General Assemblies of Noteholders

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

Notice of the date, hour, place, agenda of any general assembly will be published as provided under Condition 11.

Each Noteholder has the right to participate in general assemblies in person or by proxy. Each Note carries the right to one vote.

### 10.5 Powers of General Assemblies

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

A general assembly may further deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that a general assembly may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares, and that no amendment to the status of the Notes may be approved until the consent of the SGCB has been obtained in relation to such amendment.

Meetings of a general assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least a quarter of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by the Noteholders attending such meeting or represented thereat. In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in the general assemblies will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the third Business day in Paris preceding the date set for the meeting of the relevant general assembly at 0 hours, Paris time.

Decisions of the general assemblies must be published in accordance with the provisions set forth in Condition 11.

### 10.6 Information to the Noteholders

Each Noteholder or representative thereof will have the right, during the 15 day period preceding the holding of each general assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the general assembly, which will be available for inspection at the principal office of the Issuer, at the specified offices of the Paying Agents and at any other place specified in the notice of the general assembly given in accordance with Condition 11.

### 10.7 Expenses

The Issuer will pay all expenses incurred in the operation of the Masse, including expenses relating to the calling and holding of general assemblies and the expenses which arise by virtue of the remuneration of the

Representative, and more generally all administrative expenses resolved upon by a general assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

#### 11. NOTICES

Notices to the Noteholders shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and so long as the Notes are listed on the regulated market of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (“www.bourse.lu”). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

#### 12. PRESCRIPTION

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

#### 13. FURTHER ISSUES

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

#### 14. GOVERNING LAW AND JURISDICTION

The Notes are governed by, and shall be construed in accordance with, the laws of the Republic of France.

In relation to any legal action or proceeding arising out of or in connection with the Notes, the Issuer irrevocably submits to the jurisdiction of the competent courts in Paris.

## **USE OF PROCEEDS**

The Issuer intends to use the net proceeds of the issuance of the Notes for general corporate purposes.

## **TAXATION**

The information contained in this section is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of the Notes. It is based upon tax laws (including tax treaties) and administrative decrees in the relevant jurisdictions as in effect as of the date hereof, which are subject to change, potentially with retroactive or retrospective effect.

Prospective purchasers of the Notes are advised to consult their own advisors as to the tax consequences of an investment in the Notes.

### **European Union**

On June 3, 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the “Savings Directive”). Pursuant to the Savings Directive and subject to a number of conditions being met, Member States are required, since July 1, 2005, to provide to the tax authorities of another Member State, inter alia, details of payments of interest within the meaning of the Savings Directive (interests, products, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the “Disclosure of Information Method”).

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

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg, Belgium and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method or for the tax certificate procedure, withhold an amount on interest payments. The rate of such withholding tax equals 15% during the first three years, 20% during the subsequent three years and 35% until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the “**OECD Model Agreement**”) with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since July 1, 2005.

### **Luxembourg**

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders or Noteholders that are Residual Entities (as defined below), there is no withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of interest paid to individual Noteholders or Noteholders that are Residual Entities (as defined below), upon repayment of the principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

### *Luxembourg non-resident individuals*

Under the Directive and the Luxembourg laws dated June 21, 2005 implementing the Directive, as defined above, and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (“EU”), a Luxembourg based paying agent (within the meaning of the Directive) is required since July 1, 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 treatment applies to payments of interest and other similar income made to a residual entity (“**Residual Entities**”) in the sense of article 4.2. of the Directive (*i.e.*, entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the 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 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 recognised in accordance with the Council Directive 85/611/EEC), established in another Member State of the European Union or in certain EU dependent or associated territories.

Where withholding tax is applied, it will be levied at a rate of 15% during the first three-year period starting July 1, 2005, at a rate of 20% for the subsequent three-year period and at a rate of 35% thereafter. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

### *Luxembourg resident individuals*

As from January 1, 2006, a 10% withholding tax has been introduced by the Luxembourg law dated 23 December 2005. Under such law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10%. Only interest accrued after July 1, 2005 falls within the scope of this withholding tax. 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 or her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent (within the meaning of the Directive).

## **France**

The Savings Directive has been implemented in French law under Article 242 *ter* of the French Code *Général des Impôts* (General Tax Code), which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

The Notes constituting *obligations* under French law and being issued outside France through an international syndicate, payments of interest and other revenues made by the Issuer in respect of the Notes to Noteholders who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in the Instruction of the *Direction Générale des Impôts* 5 I-11-98 dated September 30, 1998) from the exemption from withholding tax provided for in Article 131 *quater* of the French Code *Général des Impôts*. Accordingly, such payments do not give the right to any tax credit from any French source.

## **Germany**

The following comments are of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. No representation with respect to the consequences to any particular prospective holder of a Note is made hereby. Any prospective holder of a Note should consult their own tax advisers in all relevant jurisdictions.

The information contained in this section is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of the Notes. It is based upon



German tax laws (including tax treaties) and administrative decrees as in effect as of the date hereof, which are subject to change, potentially with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF THE NOTES ARE ADVISED TO CONSULT THEIR OWN ADVISORS AS TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES.

#### Tax Residents

##### *Interest Payments*

Payments of interest on Notes to persons who are tax liable in the Federal Republic of Germany are subject to German personal or corporate income tax. Additionally, if the Notes are held as business assets trade tax will be levied. If the Notes are kept or administered in a securities deposit account by a German credit or financial services institution (or by a German branch of a foreign institution), which pays or credits the interest, a 30 per cent. capital yield tax ("**Kapitalertragsteuerabzug**"), plus a 5.5 per cent. solidarity surcharge on such tax, will be levied on interest payments or credits, resulting in a total withholding tax charge of 31.65 per cent. If Notes are presented for payment or credit at the office of a German credit or financial services institution (or at a German branch of a foreign institution), the tax rate for the Kapitalertragsteuerabzug is 35 per cent. plus solidarity surcharge, resulting in a total tax charge of 36.925 per cent. The Kapitalertragsteuerabzug and the solidarity surcharge are generally not final but will be included in the relevant tax assessment for personal or corporate income tax purposes. The Kapitalertragsteuerabzug and the solidarity surcharge will be credited against the final German tax liability or refunded in excess of the final tax liability.

##### *Capital Gains*

Capital gains deriving from the disposal, transfer or redemption of the Notes received by persons who are tax liable in the Federal Republic of Germany will qualify as interest income and will be subject to German personal or corporate income tax (in both cases plus solidarity surcharge) and additionally subject to trade tax if the Notes are held as business assets. The tax base is determined by the balance of the disposal price or redemption price over the issue price or the acquisition costs or the book value.

However, according to a recent judgment of the Federal Fiscal Court (*Bundesfinanzhof*), the tax authorities might regard capital gains from the disposal, transfer or redemption of the Notes as speculative income, *i.e.* investors holding the Notes as private assets could realize profits without taxation after a one-year holding period. The offset of potential losses would be restricted.

If the Notes are held as private assets, such interest income is subject to personal income tax rates plus solidarity surcharge thereon. Since 2007 a personal annual exemption ("**Sparer-Freibetrag**") of 750 Euro (1,500 Euro for married couples filing their tax return jointly) is available for the aggregated dividends and savings income including interest income from the Notes. In addition, an individual is entitled to a standard deduction of 51 Euro annually (102 Euro for married couples filing their tax return jointly) in computing the overall investment income unless the expenses involved are demonstrated to have actually exceeded that amount.

##### *Withholding tax arises as follows:*

If the Notes are kept or administered in a domestic securities deposit account by a German credit institution or financial services institution (or by a German branch of a foreign institution), a 30 per cent. Kapitalertragsteuerabzug, plus a 5.5 per cent. solidarity surcharge on such tax, will be levied on the positive difference between the purchase price paid by the Noteholder and the selling price or redemption amount, as the case may be, resulting in a total withholding tax charge of 31.65 per cent. However, if such criteria are not fulfilled, if e.g. the Notes are sold or redeemed after a transfer from another securities deposit account, the price difference as the taxable base for the Kapitalertragsteuerabzug and the solidarity surcharge will be substituted by a flat amount of 30 per cent. of the selling price or the redemption price.

If Notes are presented for payment or for credit to an account at the office of a German credit or financial services institution (or to a German branch of a foreign institution), the tax rate for the Kapitalertragsteuerabzug is 35 per cent. plus solidarity surcharge, resulting in a total tax charge of 36.925 per cent. If the Notes are repaid at maturity or sold prior to maturity under such circumstances, the

Kapitalertragsteuerabzug of 35 per cent. plus solidarity surcharge is calculated on 30 per cent. of the selling price or the redemption amount. The Kapitalertragsteuerabzug and the solidarity surcharge are generally not final but will be included in the relevant tax assessment for personal or corporate income tax purposes. The Kapitalertragsteuerabzug and the solidarity surcharge will be credited against the final German tax liability or refunded in excess of the final tax liability.

#### Investment Tax Act

The Notes should not qualify as units in an investment fund within the meaning of the German Investment Tax Act (*Investmentsteuergesetz*).

#### Non-Tax Residents

Persons who are not tax resident in Germany, are in general exempt from the German Kapitalertragsteuerabzug plus solidarity surcharge. In the case of over-the-counter-transactions (payment or credit upon presentation of Notes at the office of a German credit or financial services institution or at a German branch of a foreign institution), with the exception of transactions entered into by foreign credit or financial services institutions, the 35 per cent. Kapitalertragsteuerabzug plus solidarity surcharge, in total 36.925 per cent. applies. Under certain circumstances a refund might be available.

If according to German tax law the interest income received from the Notes kept or administered by a German credit or financial services institution (or by a German branch of a foreign institution) is effectively connected with a German trade or business of a non-resident, the 30 per cent. Kapitalertragsteuerabzug plus solidarity surcharge are applicable and can be set off against the German personal or corporate income tax liability of the non-resident in a subsequent assessment procedure.

#### Changes by reform of business taxation

Please find below some selected changes in the taxation of Noteholders by the Business Tax Reform Act 2008 (*Unternehmensteuerreformgesetz 2008*). This statement is not exhaustive.

In the course of the reform of business taxation, a final flat-rate tax (*Abgeltungssteuer*) on investment income will be established.

From January 1, 2009, the taxation of the Notes will change as follows:

##### *Tax residents*

Withholding tax arises as follows:

##### *Interest income:*

If the Notes are kept or administered in a securities deposit account by a German credit or financial services institution (or by a German branch of a foreign institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) which pays or credits the interest, a 25 per cent. Kapitalertragsteuerabzug, plus a 5.5 per cent. solidarity surcharge, resulting in a total withholding tax charge of 26.375 per cent., will be levied on interest payments or credits. The same will apply, if Notes are presented for payment or credit at the office of a German credit or financial services institution (or at a German branch of a foreign institution), or a German securities trading firm or a German securities trading bank.

##### *Capital gains*

If the Notes are kept or administered in a domestic securities deposit account by a German credit institution or financial services institution (or by a German branch of a foreign institution) or by a German securities trading firm or a German securities trading bank, a 25 per cent. Kapitalertragsteuerabzug, plus solidarity surcharge, will be levied on the positive difference between the purchase price paid by the Noteholder and the selling price or redemption amount, as the case may be, resulting in a total withholding tax charge of 26.375 per cent. If such criteria are not fulfilled, if e.g. the Notes are sold or redeemed after a transfer from

another securities deposit account, the Noteholder may, under certain circumstances, provide evidence for the purchase price. If such evidence is not provided, the price difference as the taxable base for the Kapitalertragsteuerabzug and the solidarity surcharge will be substituted by a flat amount of 30 per cent. of the selling price or the redemption price.

For individuals holding the Notes as private assets, this withholding tax shall generally be final and only be included in the relevant tax assessment upon application, especially if the personal income tax rate lies below 25 per cent. The Sparer-Freibetrag and the standard deduction will be converted into a unitary flat sum (*Sparer-Pauschbetrag*) for the overall investment income in the amount of 801 Euro (1,602 Euro for married couples filing their tax return jointly). The deduction of actually accrued expenses will not be possible any more.

#### *Non-Tax residents*

Persons who are not tax resident in Germany, are in general exempt from the German Kapitalertragsteuerabzug plus solidarity surcharge. In the case of over-the-counter-transactions (payment or credit upon presentation of Notes at the office of a German credit or financial services institution or at a German branch of a foreign institution or at a German securities trading firm or a German securities trading bank), with the exception of transactions entered into by foreign credit or financial services institutions, the 25 per cent. Kapitalertragsteuerabzug plus solidarity surcharge, in total 26.375 per cent. applies. Under certain circumstances a refund might be available.

If according to German tax law the interest income received from the Notes kept or administered by a German credit or financial services institution (or by a German branch of a foreign institution) or by a German securities trading firm or a German securities trading bank is effectively connected with a German trade or business of a non-resident, the taxation corresponds to the taxation set out in the paragraph “*Tax residents*” above.

#### **Ireland**

This section only addresses potential Irish withholding tax that could arise on payments of interest on the Notes. It does not address other tax liabilities that are likely to arise by virtue of an Irish resident owning or disposing of Notes. Investors should seek professional advice on the tax consequences of acquiring, holding and disposing of Notes.

Under Irish tax law there is no obligation on the Issuer to operate any withholding tax on payments of interest on the Notes except where the interest has an Irish source. The interest could be considered to have an Irish source, where, for example, interest is paid out of funds maintained in Ireland or where the notes are secured on Irish situate assets. The mere offering of the notes to Irish investors will not cause the interest to have an Irish source.

In certain circumstances collection agents and other persons receiving interest on the notes in Ireland on behalf of an Irish resident note holder, will be obliged to operate a withholding tax.

Ireland has implemented the Savings Directive into national law. Any Irish paying agent making an interest payment on behalf of the Issuer to an individual, and certain residual entities resident in another EU Member State and certain associated dependant territories of member state, will have to provide details of the payment to the Irish Revenue Commissioners who in turn will provide such information to the competent authorities of the State or territory residence of the individual or residual entity concerned.

#### **Spain**

The statements herein regarding withholding taxes in Spain are based on the laws in force in Spain as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of the Notes should consult its tax advisor as to the Spanish tax consequences of the ownership and disposition of the Notes.

### *Spanish resident individuals*

As regards income obtained by Spanish resident individuals under the Notes, no Spanish withholding taxes should be deducted by the Issuer if it is a French tax resident entity which does not have a permanent establishment in Spain. In such case, the withholding tax regime will be as follows:

(i) Interest paid to Noteholders who are Spanish resident individuals will be subject to Spanish withholding tax at 18% to be deducted by the depositary entity of the Notes or the entity in charge of collecting the income derived thereunder, provided such entities are resident for tax purposes in Spain or have a permanent establishment in the Spanish territory.

(ii) Income obtained upon transfer of the Notes will be subject to Spanish withholding tax at 18% to be deducted by the financial entity acting on behalf of the seller, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory.

(iii) Income obtained upon redemption of the Notes will be subject to Spanish withholding tax at 18% to be deducted by the financial entity appointed by the Issuer (if any) for redemption of the Notes, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory.

### *Spanish resident corporations*

Taking into account that the Notes will be listed on an OECD market, income obtained thereunder by Spanish resident corporations will be exempt from Spanish withholding taxes.

## **The Netherlands**

This taxation paragraph solely addresses the Dutch withholding tax consequences of the payments under the Notes. It does not consider other aspects of taxation that may be relevant to a particular holder of Notes. Where in this paragraph English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

This paragraph is based on the tax law of the Netherlands (unpublished case law not included) as it stands on the date of this Prospectus. The law upon which this paragraph is based is subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this paragraph, which will not be updated to reflect such change. This paragraph assumes that the place of effective management of the Issuer is not situated in the Netherlands.

### *Withholding tax*

All payments under the Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

## **Portugal**

The following summary of certain general Portuguese taxation matters is based on the laws and practice in force as of October 10, 2007 and is subject to any changes in law (and the interpretation and application thereof) and practice occurring after such date, which may have a retroactive effect.

This summary is not a complete analysis or listing of all possible tax consequences relating to an investment in the Notes and it does not address all tax considerations that may be relevant to all categories of potential investors or potential tax regimes, some of whom may be subject to special rules, namely those applicable to investment funds.

Prospective investors in the Notes are urged to consult their tax lawyers or advisers regarding the applicable tax consequences of the investment in the Notes, including the impact of tax law and practice of any other jurisdictions, based on their particular circumstances.

#### Portuguese resident individuals

##### *Personal Income Tax (“Imposto sobre o Rendimento das Pessoas Singulares”) (“IRS”)*

As a rule, income arising to Portuguese resident individuals from the holding or redemption of the Notes, as well as interest accrued but not yet due at the date of a transfer of the Notes, qualifies as investment income and is subject to IRS at a final flat 20% rate.

In case investment income in connection with the Notes is paid by a Portuguese paying agent, IRS at a 20% flat rate will be withheld. In this case, a Portuguese resident individual, unless deriving such income in the capacity of an entrepreneur with organised accounts, may choose to declare such income in his or her tax return, together with the remaining items of income derived. If such election is made, the said income will be subject to IRS according to the relevant tax brackets, up to 42%, and the domestic withholding tax will constitute a payment on account of such final IRS liability. Conversely, any foreign withholding tax suffered will be considered as a tax credit against the final IRS liability.

In case investment income in connection with the Notes is not paid by a Portuguese paying agent, no Portuguese withholding tax will apply. A Portuguese resident individual must declare the relevant income in its tax return and either subject it to the final flat 20% rate or aggregate it with the remaining elements of income and subject the global amount to IRS according to the relevant tax brackets, up to 42%. Only in this latter alternative may any foreign withholding tax suffered be considered as a tax credit against the final IRS liability.

Since the Notes should qualify as bonds or debt certificates under Portuguese law, capital gains arising from their transfer or exchange (computed as the gain, deducted of interest accrued but not yet due at the date of a transfer) are not subject to IRS. Should the Portuguese tax authorities challenge such qualification, IRS will apply at a final flat 10% rate. In such case, Portuguese resident individuals might opt for aggregating the capital gains with the remaining income, in which case said income would be subject to IRS according to the relevant tax brackets, up to 42%. No Portuguese withholding tax is levied on capital gains.

##### *Stamp Duty (“Imposto do Selo”)*

Portuguese resident individuals who acquire ownership or other rights over any Notes by inheritance, gift or legacy may be subject to Stamp Duty at a maximum rate of 10%, although some exemptions apply, namely to spouses, descendants and ancestors.

#### Portuguese resident corporations

##### *Corporate Income Tax (“Imposto sobre o Rendimento das Pessoas Colectivas”) (“IRC”)*

Any income derived by Portuguese corporations in relation with the Notes will be included in their IRC taxable income in accordance with applicable IRC legislation. The general IRC rate is of 25%, and a municipal surcharge of up to 1.5% may be imposed (thus resulting a maximum aggregate rate of 26.5%).

To the extent that the Issuer of the Notes is a non-Portuguese resident entity, no Portuguese withholding tax on account of the final IRC liability of Portuguese corporate investors will apply.

##### *Stamp Duty (“Imposto do Selo”)*

Portuguese corporations are not subject to Stamp Duty on free acquisitions. However, net variations in worth arising to Portuguese corporations as a result of receiving Notes through a restructuring, gift or legacy will be taxed under IRC, for the market value of the Notes.

## **United Kingdom**

The comments below are of a general nature based on current United Kingdom law and practice. They do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of their Notes and may not apply to certain classes of persons such as dealers or certain professional investors. Any Noteholders who are in

doubt as to their own tax position, or who may also be subject to tax in a jurisdiction other than the United Kingdom, should consult their professional advisers.

### *Withholding and disclosure*

The Issuer will not be required to withhold amounts for or on account of UK income tax when making payments of interest on the Notes as the interest will not have a UK source.

Persons in the United Kingdom paying interest to or receiving interest on behalf of another person may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or person entitled to the interest and, in certain circumstances, such information may be exchanged with tax authorities in other countries.

### *Taxation of Noteholders*

#### *Corporate Noteholders*

Noteholders within the charge to United Kingdom corporation tax (including non-resident Noteholders whose Notes are used, held or acquired for the purposes of a trade or vocation carried on in the United Kingdom through a permanent establishment) will be subject to tax on income on all profits and gains from the Notes broadly in accordance with their statutory accounting treatment. Such Noteholders will generally be charged in each accounting period by reference to interest and other amounts which, in accordance with generally accepted accounting practice, are recognised in determining the Noteholder's profit or loss for that period. Fluctuations in value relating to foreign exchange gains and losses in respect of the Notes will be brought into account as income.

#### *Other Noteholders*

##### (a) Interest

Noteholders who are either individuals or trustees and are resident for tax purposes in the United Kingdom or who carry on a trade, profession or vocation in the United Kingdom through a branch or agency to which the Notes are attributable will generally be liable to United Kingdom income tax on the amount of any interest received in respect of the Notes.

##### (b) Disposal

A disposal of a Note by a Noteholder resident or ordinarily resident for tax purposes in the United Kingdom or who carries on a trade, profession or vocation in the United Kingdom through a branch or agency to which the Note is attributable may give rise to a chargeable gain or allowable loss for the purposes of taxation of capital gains. In calculating any gain or loss on the disposal of a Note, sterling values are compared at acquisition and transfer. Accordingly, a taxable profit can arise even where the foreign currency amount received on a disposal is less than or the same as the amount paid for the Note. Any accrued interest at the date of disposal will be taxed under the provisions Chapter 2 of Part 12 of the Income Tax Act 2007 and will be excluded from the calculation of any capital gain or allowable loss arising on a disposal of the Note.

## SUBSCRIPTION AND SALE

### Underwriting Arrangements

CALYON, J.P. Morgan Securities Ltd., Merrill Lynch International and Credit Suisse Securities (Europe) Limited (the “**Managers**”) have, pursuant to a Subscription Agreement dated October 16, 2007 (the “**Subscription Agreement**”), agreed with the Issuer, subject to satisfaction of certain conditions, to procure subscription, failing which, to subscribe and pay for the Notes at a price equal to 100 per cent of their nominal amount, less a combined management and underwriting commission of 1.15 per cent and a selling concession of 0.50 per cent in each case of such nominal amount. In addition, the Issuer had agreed to reimburse the Managers in respect of certain of their legal and other expenses incurred in connection with the issue of the Notes. The Subscription Agreement will entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

### General Restrictions

Each Manager has agreed to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Notes or have in its possession or distribute this Prospectus or any other offering material relating to the Notes. No action has been, or will be, taken in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required other than as specified herein. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

For the avoidance of doubt, this Prospectus may not be used in any country for the purposes of any public offer of the Notes other than as described above and, in such cases, only until the Issue Date, unless otherwise authorised by the Issuer.

### European Economic Area

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Manager will be required to represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in the Prospectus in Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom from the time the Prospectus has been approved by the competent authority in Luxembourg and published and notified to the relevant competent authorities in accordance with the Prospectus Directive as implemented in Germany, Ireland, the Netherlands, Spain, Portugal and the United Kingdom except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities; or
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts,

provided that no such offer of Notes shall result in a requirement for the publication by the Issuer or any Manager of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Notes to be offered so as to enable an investor to decide to purchase any Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that

Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **France**

No prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Notes that has been approved by the *Autorité des marchés financiers* or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area and notified to the *Autorité des marchés financiers*. Each of the Managers and the Issuer will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, the Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will only be made in France to qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411-1, L.411-2, D. 411-1, D.411-2, D.411-3, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code monétaire et financier*, except that qualified investors shall not include individuals. The direct or indirect distribution to the public in France of any Notes so acquired may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the *Code monétaire et financier* and applicable regulations thereunder.

### **Italy**

Each Manager will be required to acknowledge and agree that no prospectus has been nor will be published in Italy in connection with the offering of the Notes and that such offering has not been cleared by the Italian Securities Exchange Commission (*Commissione Nazionale per le Società e la Borsa*, the “**CONSOB**”) pursuant to Italian securities legislation and, accordingly, has represented and agreed that the Notes may not and will not be offered, sold or delivered, nor may or will copies of the Notes or any other documents relating to the Notes be distributed in Italy, except (i) to professional investors (*operatori qualificati*), as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of July 1, 1998, as amended, (the “**Regulation No. 11522**”), or (ii) in other circumstances which are exempted from the rules on investment solicitation pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998 (the “**Italian Finance Law**”) and Article 33, first paragraph, of CONSOB Regulation No. 11971 of May 14, 1999, as amended.

Each Manager will be required to represent and agree that any offer, sale or delivery of the Notes or distribution of copies of the Prospectus or any other document relating to the Notes in Italy may and will be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be: (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Italian Finance Law, Legislative Decree No. 385 of September 1, 1993, as amended (the “**Italian Banking Law**”), Regulation No. 11522, and any other applicable laws and regulations; (ii) in compliance with Article 129 of the Italian Banking Law and the implementing guidelines of the Bank of Italy, pursuant to which the issue or the offer of securities in Italy may need to be preceded and followed by appropriate notices to be filed with the Bank of Italy depending, among other things, on the aggregate amount of the securities issued or offered in Italy and their characteristics; and (iii) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations.

The Prospectus and the information contained therein are intended only for the use of its recipient and, unless in circumstances which are exempted from the rules on investment solicitation pursuant to Article 100 of the Italian Finance Law and Article 33, first paragraph, of CONSOB Regulation No. 11971 of May 14, 1999, as amended, is not to be distributed, for any reason, to any third party resident or located in Italy. No person resident or located in Italy may rely on this document or its content.

Insofar as the requirements above are based on laws which are superseded at any time pursuant to the implementation of the Prospectus Directive in Italy, such requirements shall be replaced by the applicable requirements under the relevant implementing measures of the Prospectus Directive in Italy.



## **United Kingdom**

Each Manager will be required to represent, warrant and agree that:

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

## **United States**

The Notes have not been and will not be registered under the Securities Act or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Notes are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each Manager will be required to represent and agree that:

- (i) it has not offered or sold, and will not offer or sell, the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or dealer to which it sells Notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

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

## **Hong Kong**

Each Manager will be required to represent, warrant and agree that:

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

## Singapore

Each Manager will be required to acknowledge and agree that the Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase nor will it offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed nor will it circulate or distribute the Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under either or both of Sections 274 and 275 of the SFA, they shall not be sold by the subscriber or purchaser for 6 months after such subscription or purchase other than to (i) an institutional investor under Section 274 of the SFA, or (ii) a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred for 6 months after that corporation or that trust has acquired Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person pursuant to Section 275(1), or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

(2) where no consideration is or will be given for the transfer; or

(3) where the transfer is by operation of law.

## GENERAL INFORMATION

1. The total estimated costs for the admission to listing are €7,000.
2. The Notes have been accepted for clearance through Euroclear France and Clearstream, Luxembourg and Euroclear with the Common Code number of 032685218. The International Securities Identification Number (ISIN) for the Notes is FR0010533554. The address of Euroclear France is 155, rue Réaumur, 75081 Paris Cedex 02 France. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg.
3. The issue of the Notes has been authorised pursuant to a decision of the *Directeur de la Gestion Financière* of the Issuer dated October 16, 2007 acting pursuant to a resolution of the Board of Directors (*Conseil d'Administration*) of the Issuer dated May 15, 2007.
4. Copies of the audited consolidated and non-consolidated accounts of the Issuer for the years ended December 31, 2006 and December 31, 2005, the audited consolidated accounts of the Crédit Agricole Group for the years ended December 31, 2006 and December 31, 2005, the unaudited financial review of the Issuer for the three months ended March 31, 2007, the unaudited interim condensed consolidated financial statements of the Issuer for the six months ended June 30, 2007, the constitutional documents (*statuts*) of the Issuer and this Prospectus (including the Documents Incorporated by Reference and any supplement hereto) may be obtained free of charge, and copies of the Fiscal Agency Agreement will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding. The Prospectus and all documents incorporated by reference are also available on the website of the Luxembourg Stock Exchange ("www.bourse.lu").
5. Ernst & Young & Autres and PricewaterhouseCoopers Audit (statutory auditors) have audited the non-consolidated and consolidated financial statements of the Issuer for the year ended December 31, 2006 and December 31, 2005. Ernst & Young & Autres belongs to the *Compagnie Régionale des Commissaires aux Comptes de Versailles* and PricewaterhouseCoopers Audit to the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.
6. Since June 30, 2007 there has been no significant change in the financial or trading position, and since December 31, 2006 there has been no material adverse change, in the prospects of the Issuer except as disclosed in this Prospectus.
7. Except as disclosed in this Prospectus, there are no governmental, legal or arbitration proceedings pending or, to the Issuer's knowledge, threatened against the Issuer, or any subsidiary of the Issuer during the 12 months prior to the date hereof which may have or have had in the recent past a significant effect, in the context of the issue of the Notes, on the financial position or profitability of the Issuer or any subsidiary of the Crédit Agricole S.A. Group.
8. There is no explicit yield to maturity. The Notes do not carry a fixed date for redemption and the Issuer is not obliged, and under certain circumstances is not permitted, to make payments on the Notes at the full stated rate.
9. At the date of this Prospectus, there is no conflict of interest that is material to the issue of the Notes.

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