

DEBT ISSUANCE PROGRAMME PROSPECTUS

Dated 2 May 2007



SOCIÉTÉ GÉNÉRALE
as Issuer and Guarantor
(incorporated in France)

SGA SOCIÉTÉ GÉNÉRALE ACCEPTANCE N.V.
as Issuer
(incorporated in The Netherlands Antilles)

and

SG OPTION EUROPE
as Issuer
(incorporated in France)

€100,000,000,000
Euro Medium Term Note Programme

Under this €100,000,000,000 Euro Medium Term Note Programme (the **Programme**), each of Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe (each an **Issuer** and together the **Issuers**) may from time to time issue Notes (the **Notes**) denominated in any currency agreed by the Issuer of such Notes (the **relevant Issuer**) and the relevant Purchaser(s) (as defined below). On 1 August 2006 Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe issued a Debt Issuance Programme Prospectus describing the Programme. This Debt Issuance Programme Prospectus supersedes and replaces that prospectus, the supplements thereto and all previous offering circulars and supplements thereto. Any Notes issued under the Programme on or after the date of this Debt Issuance Programme Prospectus are issued subject to the provisions described herein. This does not affect any Notes already in issue.

Payments in respect of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will be unconditionally and irrevocably guaranteed by Société Générale (in such capacity, the **Guarantor**).

Subject as set out herein, the Notes will not be subject to any minimum or maximum maturity. The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €100,000,000,000 (or its equivalent in other currencies calculated as described herein) or such greater amount as is agreed between the parties to the amended and restated programme agreement dated 2 May 2007 (the **Programme Agreement**, which expression includes the same as it may be updated or supplemented from time to time).

The Notes will be issued to one or more of the Dealers specified in the "General Description of the Programme" and any additional dealer appointed under the Programme from time to time (each a **Dealer** and together the **Dealers**) on a continuing basis. Notes may also be issued to third parties other than Dealers. Dealers and such third parties are referred to as **Purchasers**. The terms and conditions of the English Law Notes and the Uncertificated Notes are set out herein in the section headed "Terms and Conditions of the English Law Notes and the Uncertificated Notes" and the terms and conditions of the French Law Notes are set out herein in the section headed "Terms and Conditions of the French Law Notes".

English Law Notes (as defined below) may be issued in bearer form (**Bearer Notes**, which term shall include, except as the context otherwise requires, SIS Notes) or registered certificated form (**Registered Notes**). French Law Notes (as defined below) may be issued in dematerialised form or materialised form, and Uncertificated Notes (as defined below) will be issued in uncertificated and dematerialised book-entry form, in each case, as more fully set out in "Form of the Notes" herein.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined in the Terms and Conditions of the Notes) of Notes will be set out in a final terms document (the **Final Terms**) which (except in the case of Private Placement Notes (as defined below)) will be filed with the CSSF. The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer, the Guarantor and the relevant Purchaser. Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Each Issuer may agree with any Purchaser that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes as set out herein, in which case a Debt Issuance Programme Prospectus Supplement, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

ARRANGER

Société Générale Corporate & Investment Banking

DEALERS

Société Générale Corporate & Investment Banking

Société Générale Asset Management Banque

Société Générale Bank & Trust

This Debt Issuance Programme Prospectus comprises a separate base prospectus in respect of each of Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe for the purposes of Article 5.4 of Directive 2003/71/EC (the Prospectus Directive).

This Debt Issuance Programme Prospectus does not constitute a “prospectus” for the purposes of the Prospectus Directive in respect of any Notes (i) involving an offer to the public outside the EEA or of a type listed in Article 3.2 of the Prospectus Directive and (ii) which are not admitted to trading on a regulated market under Article 3.3 of the Prospectus Directive (any such Notes, Private Placement Notes).

CERTAIN ISSUES OF NOTES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE A NOTE UNLESS SUCH INVESTOR UNDERSTANDS, AND IS ABLE TO BEAR THE YIELD, MARKET LIQUIDITY, STRUCTURE, REDEMPTION AND OTHER RISKS ASSOCIATED WITH THE NOTE. FOR FURTHER DETAILS, SEE “RISK FACTORS” HEREIN.

Each Issuer and the Guarantor (the **Responsible Persons**) accepts responsibility for the information contained in this Debt Issuance Programme Prospectus. To the best of the knowledge and belief of each Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Debt Issuance Programme Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Copies of Final Terms will be available free of charge from the head office of each of Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe and the specified office of each of the Paying Agents (as defined below), in each case at the address given at the end of this Debt Issuance Programme Prospectus (provided that Final Terms relating to Private Placement Notes will only be available for inspection by a holder of such Notes upon production of evidence satisfactory to the relevant Issuer or Paying Agent as to its holding of such Notes and identity).

This Debt Issuance Programme Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Debt Issuance Programme Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Debt Issuance Programme Prospectus.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Debt Issuance Programme Prospectus or any other information provided by any of the Issuers or the Guarantor. The Dealers do not accept any liability in relation to the information contained or incorporated by reference in this Debt Issuance Programme Prospectus or any other information provided by any of the Issuers or the Guarantor in connection with the Programme or the Notes.

Subject as provided in the applicable Final Terms, the only person(s) authorised to use this Debt Issuance Programme Prospectus in connection with an offer of Notes is/are the person(s) named in the applicable Final Terms as the relevant Dealer, the Managers or the Financial Intermediaries, as the case may be.

No person is or has been authorised by any of the Issuers or the Guarantor to give any information or to make any representation not contained in or not consistent with this Debt Issuance Programme Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuers, the Guarantor or any of the Dealers.

Neither this Debt Issuance Programme Prospectus nor any other information supplied in connection with the Programme or the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation or a statement of opinion (or a report on either of those things) by any of the Issuers, the Guarantor or any of the Dealers that any recipient of this Debt Issuance Programme Prospectus or any other information supplied in connection with the Programme or the Notes should purchase

any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and, if appropriate, the Guarantor. Neither this Debt Issuance Programme Prospectus nor any other information supplied in connection with the Programme or the Notes constitutes an offer or invitation by or on behalf of any of the Issuers, the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Debt Issuance Programme Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning any of the Issuers or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of any of the Issuers or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

This Debt Issuance Programme Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Debt Issuance Programme Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Each Issuer, the Guarantor and the Dealers do not represent that this Debt Issuance Programme Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by any Issuer, the Guarantor or the Dealers which is intended to permit a public offering of any Notes outside the European Economic Area or distribution of this Debt Issuance Programme Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Debt Issuance Programme Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Debt Issuance Programme Prospectus or any Note comes must inform themselves about, and observe, any such restrictions on the distribution of this Debt Issuance Programme Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Debt Issuance Programme Prospectus and the offer or sale of Notes in the Czech Republic, European Economic Area, France, Hong Kong, Italy, Japan, the Netherlands Antilles, Switzerland, the United Kingdom and the United States (see “*Subscription, Sale and Transfer Restrictions*”).

The Notes and any guarantee thereof have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the **Securities Act**) or under any state securities laws and none of the Issuers nor the Guarantor have registered or will register as an investment company under the U.S. Investment Company Act of 1940, as amended (the **Investment Company Act**). Accordingly, the Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act in a transaction that will not cause the Issuer or the Guarantor, as the case may be, to become required to register under the Investment Company Act. By its purchase of a Note, each purchaser will be deemed to have agreed that it may not resell or otherwise transfer the Note held by it except (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person that is qualified purchaser within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder (a **QP**) reasonably believed by the Seller to be a qualified institutional buyer, as defined under Rule 144A under the Securities Act (a **QIB**), purchasing for its own account or for the account of a QIB that is also a QP in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State Securities laws.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

U.S. INFORMATION

This Debt Issuance Programme Prospectus is being submitted on a confidential basis in the United States to a limited number of QIBs that are also QPs for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs that are also QPs in transactions exempt from the registration requirements of the Securities Act and that will not require any Issuer or the Guarantor to register under the Investment Company Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Rule 144A Global Note or a Combined Global Note (each as defined below) or any Notes issued in registered form in exchange or substitution therefor (together **Legended Notes**) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “*Subscription and Sale*”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “*Form of the Notes*”.

The Notes and the Guarantee have not been approved or disapproved by the U.S. Securities and Exchange Commission (the **SEC**), any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing Authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of this Debt Issuance Programme Prospectus. Any representation to the contrary is a criminal offence in the United States.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” within the meaning of the Securities Act, the Issuers have undertaken in a deed poll dated 2 May 2007 (the **Deed Poll**) to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the relevant Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the **Exchange Act**) nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuers are corporations organised under the laws of The Netherlands Antilles and France respectively (each a **Relevant Jurisdiction**). All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the relevant Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process in connection with a cause of action under the laws of a jurisdiction other than England and Wales outside the Relevant Jurisdiction upon the relevant Issuer or such persons, or to enforce judgments against them obtained in courts outside the Relevant Jurisdiction predicated upon civil liabilities of the relevant Issuer or such directors and officers under laws other than those of the Relevant Jurisdiction, including any judgment predicated upon United States federal securities laws.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Each Issuer maintains its financial books and records and prepares its financial statements in accordance with financial reporting standards which differ in certain important respects from generally accepted accounting principles in the United States (**U.S. GAAP**).

INTERPRETATION

All references in this document to:

(i) “U.S. dollars”, “U.S.\$” or “USD” refer to the currency of the United States of America, those to “Sterling” and “£” refer to the currency of the United Kingdom, those to “Australian dollars” and “A\$” refer to the currency of Australia, those to “Swiss Francs” and “CHF” refer to the currency of Switzerland, those to “Japanese Yen” and “¥” refer to the currency of Japan and those to “euro”, “Euro”, “EUR” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended;

(ii) the “Terms and Conditions” or the “Conditions” shall be to the terms and conditions of the English Law Notes, the terms and conditions of Uncertificated Notes and/or the terms and conditions of the French Law Notes, as appropriate; and

(iii) the “Notes” shall be to the English Law Notes, Uncertificated Notes and/or the French Law Notes, as appropriate. For the avoidance of doubt, in the section headed “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”, references to the “Notes” shall be to the English Law Notes and/or Uncertificated Notes, as the context requires, and in the section headed “*Terms and Conditions of the French Law Notes*”, references to the “Notes” shall be to the French Law Notes.

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IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER-ALLOT NOTES (PROVIDED THAT, IN THE CASE OF ANY TRANCHE OF NOTES TO BE ADMITTED TO TRADING ON A REGULATED MARKET IN THE EUROPEAN ECONOMIC AREA, THE AGGREGATE PRINCIPAL AMOUNT OF NOTES ALLOTTED DOES NOT EXCEED 105 PER CENT. OF THE AGGREGATE PRINCIPAL AMOUNT OF THE RELEVANT TRANCHE) OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES.

SUMMARY OF THE PROGRAMME

This Summary must be read as an introduction to this Debt Issuance Programme Prospectus and any decision to invest in any Notes should be based on a consideration of this Debt Issuance Programme Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area no civil liability will attach to the Responsible Persons in any such Member State in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Debt Issuance Programme Prospectus. Where a claim relating to information contained in this Debt Issuance Programme Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Debt Issuance Programme Prospectus before the legal proceedings are initiated.

Words and expressions defined in the “*Form of Notes*” and in the sections headed “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*” and “*Terms and Conditions of the French Law Notes*” shall have the same meanings in this Summary.

Issuers:

Société Générale

Société Générale is a limited liability corporation (*société anonyme*) established under French law and has the status of a bank.

Société Générale was incorporated by deed approved by Decree on 4 May 1864. The life of Société Générale, previously fixed at 50 years with effect from 1 January 1899, was extended by 99 years with effect from 1 January 1949. Under the legislative and regulatory provisions relating to credit institutions, notably the relevant articles of the Monetary and Financial Code, Société Générale is subject to the commercial laws of the French Commercial Code (in particular Articles L. 210-1 *et seq.*) as well as current by-laws.

Société Générale’s registered office is at 29, boulevard Haussmann, Paris, 75009.

The purpose of Société Générale, under the conditions determined by the laws and regulations applicable to credit institutions, is to carry out, in France or abroad, with individuals or corporate entities:

- banking transactions;
- transactions related to banking operations, including, in particular, investment related services or allied services as provided by Articles L. 321-1 and L. 321-2 of the Monetary and Financial Code;
- acquisitions of interests in other companies.

Société Générale may also engage on a regular basis in transactions other than those listed above, including, in particular, insurance brokerage, under the conditions set by the *Comité de la Réglementation Bancaire et Financière* (French Banking and Financial Regulations Committee).

Generally, Société Générale may carry out, on its own behalf, on behalf of third parties or jointly, all financial, commercial, industrial or agricultural personalty or realty transactions, directly or indirectly related to the above-mentioned activities or likely to facilitate the accomplishment of such activities.

SGA Société Générale Acceptance N.V.

SGA Société Générale Acceptance N.V. was incorporated on 7 October 1986 for an unlimited duration as a limited liability company under the laws of the Netherlands Antilles.

SGA Société Générale Acceptance N.V.'s head office is located at Landhuis Joonchi, Kaya Richard J. Beaujon z/n Curaçao, Netherlands Antilles and it is registered in the Commercial Register of the Chamber of Commerce and Industry at Curaçao, Netherlands Antilles under n° 45500.

The purpose and object of SGA Société Générale Acceptance N.V. pursuant to its Deed of Incorporation is to invest its funds in securities, such as shares and other certificates of participation, and bonds and in other interest-bearing debentures under whatever name and in whatever form, to borrow money and to issue certificates of indebtedness therefor, as well as to lend money within the group to which it belongs and to provide security in any form on behalf of third parties.

SGA Société Générale Acceptance N.V. has no subsidiaries.

SGA Société Générale Acceptance N.V. is a 100 per cent. owned subsidiary of Société Générale and is a fully consolidated company.

SG Option Europe

SG Option Europe was incorporated on 1 June 1987 for an initial duration of 99 years as a limited liability corporation (*société anonyme*) established under French law and has the status of an investment company.

SG Option Europe's head office is located at 17 Cours Valmy – 92800 Puteaux, France and it is registered in the Commercial Register of the Chamber of Commerce and Industry at Nanterre, France under no 341 369 833.

The purpose and object of SG Option Europe pursuant to its Deed of Incorporation is to invest its funds in securities, such as shares and other certificates of participation, and bonds and in other interest-bearing debentures under whatever name and in whatever form, to borrow money and to issue certificates of indebtedness in relation to borrowed money, as well as to lend money within the group to which it belongs and to provide security in any form on behalf of third parties.

SG Option Europe has one subsidiary “Sofom” which is a fully consolidated company.

SG Option Europe is a 100 per cent. owned subsidiary of Société Générale and is a fully consolidated company.

Guarantor:

Société Générale

Risk Factors:

There are certain factors that may affect each of the Issuer's and the Guarantor's ability to fulfil its obligations with respect to Notes issued under the Programme. These are set out under “*Risk Factors*” below and include the creditworthiness of each Issuer and the Guarantor

(including their respective credit ratings, if applicable), general operational risks, conflicts of interest, the absence of Events of Default with respect to Société Générale, the risk that hedging and trading activity by the Issuer, the Guarantor or any of their affiliates may affect the value of Notes and risks associated with the lack of independence of the Guarantor and the Issuer (in the case of any Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe).

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme (see “*Risk Factors*”).

Risks relating to Notes depend on their features and may include the following, all of which are more fully described under “*Risk Factors*”:

- (i) any optional redemption of the Notes by the Issuer where such a feature is applicable, (ii) limited and/or volatile market value of the Notes, (iii) redemption when reinvestment circumstances are not advantageous for a Noteholder, (iv) reduced or no payment of interest, (v) payment of principal or interest at a different time or in a different currency than expected and/or (vi) loss of all or part of a Noteholder’s initial investment or anticipated return on such investment which may be due to the Notes (or the payment of principal or interest under the Notes) being (a) subject to optional redemption by the Issuer, (b) determined by reference to an index, formula, asset or other reference factor (such as securities, commodities, fund units, exchange rates, etc.), (c) payable in various currencies, (d) payable, as to their issue price, in instalments, (e) subject to caps, floors, leverage or other factors or any combination thereof, (f) subject to an inverse floating rate of interest, (g) subject to a fixed-to-floating (or floating-to-fixed) rate of interest, (h) issued at a discount or premium from their principal amount, (i) subject to decreases in interest or principal payable depending on changes in the creditworthiness of a reference entity or reference obligation, (j) subordinated (in the case of Notes issued by Société Générale) (without Noteholders having the right under any circumstances to accelerate the maturity of such Notes and with the possibility of deferral of interest payments in certain circumstances) and/or (k) payments of principal or interest being linked to the occurrence or non-occurrence of certain events beyond the control of the Issuer and (if applicable) the Guarantor. Other risks relating to the Notes include (i) binding decisions of meetings of Noteholders, (ii) no payment of additional amounts (in certain circumstances) in relation to taxes withheld from payments under the Notes, (iii) changes in law, (iv) lack of a liquid secondary trading market for the Notes, (v) Noteholders receiving payments in currency other than that of their financial activities, (vi) changes in interest rates, (vii) in relation to any issue of Notes which have a minimum denomination and are tradable in the clearing systems in amounts above such minimum denomination which are smaller than it, an investor not receiving all of its entitlement if definitive Notes are issued, (viii) credit ratings not reflecting all risks relating to the Notes, (ix) certain investors being subject to laws and regulations or review or regulation by certain authorities, (x) the fact that the Notes may not be a suitable

investment for all investors and/or (xi) the fact that the Notes may be subject to certain transfer restrictions.

Programme Size:

Up to €100,000,000,000 (or its equivalent in other currencies calculated on the Agreement Date as defined in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution:

Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Form of Notes:

English Law Notes

Each Tranche of Notes (as defined under “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”) specified in the applicable Final Terms to be governed by English law (save as to Condition 3(b), where applicable) (any such Notes, **English Law Notes**) will be either Bearer Notes (with or without interest coupons attached) issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**) or Registered Notes (without interest coupons attached) issued outside the United States in reliance on the exemption from registration provided by Regulation S and/or within the United States in reliance on Rule 144A under the Securities Act.

Bearer Notes will on issue be represented by either a temporary global Note or a permanent global Note as specified in the applicable Final Terms. Temporary global Notes will be exchangeable either for (a) interests in a permanent global Note or (b) for Definitive Bearer Notes, as indicated in the applicable Final Terms. Permanent global Notes will be exchangeable for Definitive Bearer Notes only upon the occurrence of an Exchange Event as described under “*Form of the Notes*”.

Registered Notes will on issue be represented by a Global Registered Note which will be exchangeable for Definitive Registered Notes in certain circumstances set out in such Global Registered Note.

Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Special procedures apply to SIS Notes (see “*Form of the Notes*”).

French Law Notes

French Law Notes may be issued as either Dematerialised Notes or Materialised Notes.

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered (*nominatif pur*) or administered registered (*nominatif administré*) form. No physical document of title will be issued in respect of Dematerialised

Notes. See “*Terms and Conditions of the French Law Notes - Form, Denomination(s) and Title*”.

Materialised Notes will be in bearer materialised form only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

Uncertificated Notes

Uncertificated Notes are in uncertificated and dematerialised form and will be cleared through a central securities depositary and clearing institution.

Terms of Notes:

Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Notes may be denominated in any agreed currency and with any agreed maturity, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body).

The terms of the Notes will be specified in the applicable Final Terms. In addition to any other form of Notes agreed by the relevant Issuer and the relevant Purchaser(s), the following types of Note may be issued: (i) Fixed Rate Notes; (ii) Partly Paid Notes; (iii) Floating Rate Notes; (iv) Index Linked Notes (including, without limitation, Equity Linked Notes, Credit Linked Notes, Managed Assets Portfolio Linked Notes or Commodity Linked Notes); (v) Dual Currency Notes; (vi) Physical Delivery Notes; and (vii) Zero Coupon Notes.

Interest periods, rates of interest and the terms of and/or amounts payable on redemption may differ depending on the Notes being issued and such terms will be specified in the applicable Final Terms.

The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes (if Physical Delivery Notes) may be settled at maturity or otherwise by receipt by the holder(s) of a cash amount and/or by delivery of the relevant Underlying Assets or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Any early redemption of Subordinated Notes issued by Société Générale in accordance with Condition 7(b), (c) or (e) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes or, as appropriate, Condition 6(b), (c) or (e) of the Terms and

Conditions of the French Law Notes will be subject to the prior written approval of the *Secrétariat général de la Commission bancaire* in France.

Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe having a maturity of less than one year from the date of issue are subject to certain restrictions on their denomination and distribution, see “*Certain Restrictions - Notes having a maturity of less than one year*” below.

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Purchaser(s) as indicated in the applicable Final Terms save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see “*Certain Restrictions - Notes having a maturity of less than one year*” below) and save that the minimum denomination of each Note issued by Société Générale or SG Option Europe and admitted to trading on a regulated market within the European Economic Area other than a regulated market in France or offered to the public in a Member State of the European Economic Area other than France in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 8 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes. In the event that any such deduction is made, the relevant Issuer or, as the case may be, the Guarantor, will, save in certain limited circumstances provided in Condition 8 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 7 of the Terms and Conditions of the French Law Notes, be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of Unsubordinated Notes issued by Société Générale and all Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will contain a negative pledge provision as more fully described in Condition 4 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes or, as appropriate, Condition 3 of the French Law Notes, which so long as any such Notes, or any Receipts or Coupons relating thereto, remain outstanding, prohibit the relevant Issuer (or, as the case may be, Guarantor) from, among other things, creating or maintaining any security interest or other encumbrance on its assets or debt securities, unless such Notes and any relevant Receipts or Coupons are secured equally and rateably therewith.

Events of Default:

The terms of the Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will contain events of default along the following lines:

- (i) the Issuer is in default with respect to the payment of interest

- or principal when due or the delivery of Underlying Assets deliverable in respect of the Notes (save for late delivery in the circumstances referred to in Condition 6(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and in Condition 5(d) of the French Law Notes), which default, in the case of any interest payment, has continued, uncorrected for a specified period of time; or
- (ii) the Issuer is in default in the performance of any other obligation under the Terms and Conditions, which default has continued uncorrected for a specified period of time; or
 - (iii) the Issuer is in default under any evidence of indebtedness for money borrowed, which has resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, or any such indebtedness is not paid at the stated maturity thereof and such failure to pay continues beyond the grace period, if any, applicable thereto (except, in any of the foregoing cases, where the obligation to pay such indebtedness is being disputed in good faith); or
 - (iv) events relating to the insolvency or winding up of the Issuer; or
 - (v) the Guarantee ceases to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or notice is given by the Guarantor which would cause the Guarantee to cease to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Notes, the Receipts or the Coupons, or terminate or amend the same in a manner materially adverse to the interests of the Noteholders, the Receiptholders or the Couponholders, or the Guarantor is unable to perform its obligations thereunder for any reason,

all as more fully described in Condition 10 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes or, as appropriate, Condition 9 of the French Law Notes.

There will be no events of default with respect to Notes issued by Société Générale.

Status of Unsubordinated Notes:

Unsubordinated Notes issued by Société Générale and all Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe will constitute direct, unconditional and (subject to Condition 3 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2 of the Terms and Conditions of the French Law Notes) unsecured and unsubordinated obligations of the relevant Issuer and will rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the relevant Issuer as

each is separately set out in Condition 3 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2 of the Terms and Conditions of the French Law Notes.

Status of Subordinated Notes:

Subordinated Notes issued by Société Générale will be direct, unconditional, unsecured and subordinated obligations of Société Générale and rank *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and subordinated obligations of Société Générale with the exception of the *prêts participatifs* granted to Société Générale and the *titres participatifs* issued by Société Générale as set out in Condition 3(b) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(b) of the Terms and Conditions of the French Law Notes.

If so specified in the applicable Final Terms, the payment of interest in respect of subordinated Notes without a specified maturity date (**Undated Subordinated Notes**) issued by Société Générale may be deferred in accordance with the provisions of Condition 5(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 4(g) of the Terms and Conditions of the French Law Notes – “*Deferral of Interest*”.

In the case of Undated Subordinated Notes issued by Société Générale and when so specified in the applicable Final Terms, in the event of the Issuer incurring losses, such losses shall be absorbed in accordance with the loss absorption provisions in Condition 3(b)(iii) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(b)(iii) of the Terms and Conditions of the French Law Notes.

In the case of Notes issued by Société Générale which constitute Tier 3 Capital, issues will be made in compliance with all applicable laws and regulations and subject to such additional terms and conditions as shall be set out in the applicable Final Terms relating thereto.

Guarantee:

In respect of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, the due and punctual payment of any amounts due by SGA Société Générale Acceptance N.V. and SG Option Europe in respect of such Notes will be unconditionally and irrevocably guaranteed by the Guarantor as provided in the deed of guarantee dated 2 May 2007 (the **Guarantee**) as more specifically set forth in Condition 3(d) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 2(d) of the Terms and Conditions of the French Law Notes.

Use of Proceeds:

The net proceeds from each issue of Notes will be applied for the general financing purposes of the Société Générale group of companies, which include making a profit. If, in respect of any particular issue of Notes, there is a particular identified use of proceeds, in addition to or other than the foregoing, this will be stated in the applicable Final Terms.

Rating:

The rating, if any, of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.

Listing and admission to trading:

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Purchaser in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Notes (except Uncertificated Notes, which shall be governed by, and construed in accordance with, the laws of the jurisdiction specified in the applicable Final Terms) will be governed by, and construed in accordance with, English law or French law, as specified in the applicable Final Terms, other than Condition 3(b) of the Terms and Conditions of any English Law Notes (relating to the status of subordinated Notes issued by Société Générale) which, if applicable, will be governed by, and shall be construed in accordance with, the laws of France. The Guarantee will be governed by, and construed in accordance with, English law.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the Czech Republic, European Economic Area, France, Hong Kong, Italy, Japan, the Netherlands Antilles, Switzerland, the United Kingdom and the United States and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription, Sale and Transfer Restrictions*” below.

United States Selling Restrictions:

Regulation S, Category 2. Rule 144A, TEFRA C or D, as specified in the applicable Final Terms. Section 3(c)(7) of the Investment Company Act. Additional selling restrictions may apply as specified in the applicable Final Terms.

GENERAL DESCRIPTION OF THE PROGRAMME

The following General Description does not purport to be complete and is taken from, and is qualified in its entirety by, the Summary and the remainder of this Debt Issuance Programme Prospectus and, in relation to the Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only, if appropriate, a Debt Issuance Programme Prospectus Supplement will be published.

This General Description constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined in “*Form of the Notes*” and in the sections headed “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*” or, as the case may be, “*Terms and Conditions of the French Law Notes*” shall have the same meanings in this General Description.

Issuers: Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe

Guarantor: Société Générale

Risk Factors: There are certain factors that may affect each of the Issuers' and the Guarantor's ability to fulfil its obligations with respect to Notes issued under the Programme. These are set out under “*Risk Factors*” below and include the creditworthiness of each Issuer and the Guarantor (including their respective credit ratings, if applicable), general operational risks, conflicts of interest, the absence of Events of Default with respect to Société Générale, the risk that hedging and trading activity by the Issuer, the Guarantor or any of their affiliates may affect the value of Notes and risks associated with the lack of independence of the Guarantor and the Issuer (in the case of any Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe).

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme (see “*Risk Factors*”).

Risks relating to Notes depend on their features and may include the following, all of which are more fully described under “*Risk Factors*”: (i) any optional redemption of the Notes by the Issuer where such a feature is applicable, (ii) limited and/or volatile market value of the Notes, (iii) redemption when reinvestment circumstances are not advantageous for a Noteholder, (iv) reduced or no payment of interest, (v) payment of principal or interest at a different time or in a different currency than expected and/or (vi) loss of all or part of a Noteholder's initial investment or anticipated return on such investment which may be due to the Notes (or the payment of principal or interest under the Notes) being (a) subject to optional redemption by the Issuer, (b) determined by reference to an index, formula, asset or other reference factor (such as securities, commodities, fund units, exchange rates, etc.), (c) payable in various currencies, (d) payable, as to their issue price, in

instalments, (e) subject to caps, floors, leverage or other factors or any combination thereof, (f) subject to an inverse floating rate of interest, (g) subject to a fixed-to-floating (or floating-to-fixed) rate of interest, (h) issued at a discount or premium from their principal amount, (i) subject to decreases in interest or principal payable depending on changes in the creditworthiness of a reference entity or reference obligation, (j) subordinated (in the case of Notes issued by Société Générale) (without Noteholders having the right under any circumstances to accelerate the maturity of such Notes and with the possibility of deferral of interest payments in certain circumstances) and/or (k) payments of principal or interest being linked to the occurrence or non-occurrence of certain events beyond the control of the Issuer and (if applicable) the Guarantor. Other risks relating to the Notes include (i) binding decisions of meetings of Noteholders, (ii) no payment of additional amounts (in certain circumstances) in relation to taxes withheld from payments under the Notes, (iii) changes in law, (iv) lack of a liquid secondary trading market for the Notes, (v) Noteholders receiving payments in currency other than that of their financial activities, (vi) changes in interest rates, (vii) in relation to any issue of Notes which have a minimum denomination and are tradable in the clearing systems in amounts above such minimum denomination which are smaller than it, an investor not receiving all of its entitlement if definitive Notes are issued, (viii) credit ratings not reflecting all risks relating to the Notes, (ix) certain investors being subject to laws and regulations or review or regulation by certain authorities, (x) the fact that the Notes may not be a suitable investment for all investors and/or (xi) the fact that the Notes may be subject to certain transfer restrictions.

Description:

Euro Medium Term Note Programme

Arranger:

Société Générale

Dealers:

Société Générale
Société Générale Asset Management Banque
Société Générale Bank & Trust

and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions:

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription, Sale and Transfer Restrictions*”) including the following restrictions applicable at the date of this Debt Issuance Programme Prospectus.

Notes having a maturity of less than one year

Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting

deposits contained in Section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “*Subscription, Sale and Transfer Restrictions*”.

Fiscal Agent:

Société Générale Bank & Trust

Registrar:

Société Générale Bank & Trust

Paying Agents:

Société Générale (Paris), Société Générale, New York Branch HSBC Institutional Trust Services (Ireland) Limited and/or any such additional or successor paying agent appointed in accordance with Condition 12 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 11 of the Terms and Conditions of the French Law Notes.

The Issuer may appoint or (as the case may be) maintain an additional paying agent in each jurisdiction where Uncertificated Notes (as defined under “*Form of the Notes*”) are registered and, if appropriate, for so long as any Uncertificated Notes are listed on the Luxembourg Stock Exchange, the Issuer will maintain a paying agent with a specified office in Luxembourg, all as specified in the applicable Final Terms.

Programme Size:

Up to €100,000,000,000 (or its equivalent in other currencies calculated on the Agreement Date as defined in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution:

Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies:

Notes may be denominated in euro, Sterling, U.S. dollars, Japanese Yen and, subject to compliance with any applicable laws and regulations, any other currency as may be agreed between the relevant Issuer and the relevant Purchaser(s) as indicated in the applicable Final Terms.

Redenomination:

The applicable Final Terms may provide that certain Notes may be redenominated in euro. If so the wording of the redenomination clause will be set out in full in the applicable Final Terms.

Maturities:

Any maturity as indicated in the applicable Final Terms subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.

Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe having a maturity of less than one year from the date of issue are subject to certain restrictions on their denomination and distribution (see “*Certain Restrictions - Notes having a maturity of less than one year*”).

Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price (expressed either (i) as a percentage of the Aggregate Nominal Amount or (ii) as an amount per Note of the relevant Specified Denomination) which is at par or at a discount to, or premium over, par (as specified in the applicable Final Terms).
Form of Notes:	The Notes may be issued in the forms described in “ <i>Form of the Notes</i> ”.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Purchaser(s) as indicated in the applicable Final Terms.
Partly Paid Notes:	<p>While any part payments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a temporary or permanent global Note representing such Notes may be exchanged for Definitive Bearer Notes.</p> <p>If any Noteholder fails to pay any part payment due on any Partly Paid Notes within the time specified, the Issuer may have a right to redeem such Notes if so specified, and on the terms set out, in the applicable Final Terms.</p>
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement evidenced by a confirmation incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service or (iii) on such other basis as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms).</p> <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Purchaser(s) for each issue of Floating Rate Notes and specified in the applicable Final Terms.</p>
Index Linked Notes:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities (including, without limitation, shares or units of unit trusts or mutual funds (any such Index Linked Notes, Equity Linked Notes)) or commodities (any such Index Linked Notes, Commodity Linked Notes) or the creditworthiness of a reference entity or reference obligation (any such Index Linked Notes, Credit Linked Notes) or by reference to the performance of certain assets (any such Index Linked Notes, Managed Assets Portfolio Linked Notes) or by reference to

futures contracts on the same or to such other factors as the relevant Issuer and the relevant Purchaser(s) may agree (as indicated in the applicable Final Terms).

Other provisions in relation to Floating Rate Notes and Index Linked Notes:

Floating Rate Notes and Index Linked Notes may also have a maximum interest rate, a minimum interest rate or both, or be subject to a Rate Multiplier, in each case as set forth in the applicable Final Terms.

Dual Currency Notes:

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currency or currencies, and based on such rate or rates of exchange, as the relevant Issuer and the relevant Purchaser(s) may agree (as indicated in the applicable Final Terms).

Physical Delivery Notes:

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Physical Delivery Notes and any delivery of any Underlying Asset(s) in respect of Physical Delivery Notes will be made in accordance with the terms of the applicable Final Terms, subject always to applicable securities laws.

Zero Coupon Notes:

Zero Coupon Notes will not bear interest (other than in the case of late payment).

Redemption:

The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes (if Physical Delivery Notes) may be settled at maturity or otherwise by receipt by the holder(s) of a cash amount and/or by delivery of the relevant Underlying Assets or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving not less than 30 nor more than 45 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed between the relevant Issuer and Purchaser(s) as indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as indicated in the applicable Final Terms.

Any early redemption of Subordinated Notes issued by Société Générale in accordance with Condition 7(b), (c) or (e) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Conditions 6(b), (c) and (e) of the Terms and Conditions of the French Law Notes will be subject to the prior written approval of the *Secrétariat général de la Commission bancaire* in France.

Denomination of Notes:

Notes will be issued in such denominations as may be agreed

between the relevant Issuer and the relevant Purchaser(s) as indicated in the applicable Final Terms save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see “*Certain Restrictions - Notes having a maturity of less than one year*” above) and save that the minimum denomination of each Note issued by Société Générale or SG Option Europe and admitted to trading on a regulated market within the European Economic Area other than a regulated market in France or offered to the public in a Member State of the European Economic Area other than France in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 8 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 7 of the Terms and Conditions of the French Law Notes (“*Taxation*”). In the event that any such deduction is made, the relevant Issuer or, as the case may be, the Guarantor, will, save in certain limited circumstances provided in Condition 7 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 6 of the Terms and Conditions of the French Law Notes (“*Redemption and Purchase*”), be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of Unsubordinated Notes issued by Société Générale and all Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will contain a negative pledge provision as further described in Condition 4 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 3 of the Terms and Conditions of the French Law Notes.

Cross Default:

The terms of the Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will contain a cross-default provision as further described in Condition 10 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 9 of the Terms and Conditions of the French Law Notes. There will be no cross-default provision with respect to Notes issued by Société Générale.

Status of Unsubordinated Notes:

Unsubordinated Notes issued by Société Générale and all Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will constitute direct, unconditional and (subject to Condition 3(a) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(a) of the Terms and Conditions of the French Law Notes) unsecured and unsubordinated obligations of the relevant Issuer and will rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) *pari passu* with all other direct, unconditional, unsecured and unsubordinated

obligations of the relevant Issuer as each is separately set out in Condition 3(a) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(a) of the Terms and Conditions of the French Law Notes.

Status of Subordinated Notes:

Subordinated Notes issued by Société Générale will be direct, unconditional, unsecured and subordinated obligations of Société Générale and rank *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and subordinated obligations of Société Générale with the exception of the *prêts participatifs* granted to Société Générale and the *titres participatifs* issued by Société Générale as set out in Condition 3(b) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(b) of the Terms and Conditions of the French Law Notes.

If so specified in the applicable Final Terms, the payment of interest in respect of subordinated Notes without a specified maturity date (**Undated Subordinated Notes**) issued by Société Générale may be deferred in accordance with the provisions of Condition 5(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 4(g) of the Terms and Conditions of the French Law Notes - “*Deferral of Interest*”.

In the case of Undated Subordinated Notes issued by Société Générale and when so specified in the applicable Final Terms, in the event of the Issuer incurring losses, such losses shall be absorbed in accordance with the loss absorption provisions in Condition 3(b)(iii) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(b)(iii) of the Terms and Conditions of the French Law Notes.

In the case of Notes issued by Société Générale which constitute Tier 3 Capital, issues will be made in compliance with all applicable laws and regulations and subject to such additional terms and conditions as shall be set out in the applicable Final Terms relating thereto.

Guarantee:

In respect of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, the due and punctual payment of any amounts due by SGA Société Générale Acceptance N.V. and SG Option Europe in respect of such Notes will be unconditionally and irrevocably guaranteed by the Guarantor as provided in the deed of guarantee dated 2 May 2007 (the **Guarantee**) as more specifically set forth in Condition 3(d) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 2(d) of the Terms and Conditions of the French Law Notes.

Rating:

The rating, if any, of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.

Listing and admission to trading:

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the

Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Purchaser in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Notes (except Uncertificated Notes, which shall be governed by, and construed in accordance with, the laws of the jurisdiction specified in the applicable Final Terms) will be governed by, and construed in accordance with, English law or French law, as specified in the applicable Final Terms, other than Condition 3(b) of the Terms and Conditions of any English Law Notes (relating to the status of subordinated Notes issued by Société Générale) which, if applicable, will be governed by, and shall be construed in accordance with, the laws of France. The Guarantee will be governed by, and construed in accordance with English law.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the Czech Republic, European Economic Area, France, Hong Kong, Italy, Japan, the Netherlands Antilles, Switzerland, the United Kingdom and the United States and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription, Sale and Transfer Restrictions*” below.

United States Selling Restrictions:

Regulation S, Category 2. Rule 144A, TEFRA C or TEFRA D, as specified in the applicable Final Terms. Section 3(c)(7) of the Investment Company Act. Additional selling restrictions may apply as specified in the applicable Final Terms.

RISK FACTORS

Each Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and none of the Issuers nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Each Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the relevant Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them or which they may not currently be able to anticipate. The Final Terms in respect of any Notes may contain additional risk factors relating to such Notes that should be considered before making an investment decision. Prospective investors should also read the detailed information set out elsewhere in this Debt Issuance Programme Prospectus and reach their own views prior to making any investment decision.

A. Risks relating to the Issuer and, as the case may be, the Guarantor

Factors that may affect each Issuer's ability to fulfil its obligations under the Notes issued under the Programme and the Guarantor's ability to fulfil its obligations under the Guarantee in relation to such Notes

Creditworthiness of each Issuer and, as the case may be, the Guarantor

The Notes constitute general and unsecured contractual obligations of each Issuer and of no other person, and the Guarantee constitutes general and unsecured contractual obligations of the Guarantor and of no other person, which will rank equally with all other unsecured contractual obligations of the Issuer and the Guarantor, respectively, and behind preferred liabilities, including those mandatorily preferred by law. The Issuer issues a large number of financial instruments, including the Notes, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Notes, you are relying upon the creditworthiness of the Issuer and, as the case may be, the Guarantor and no other person and where the Notes relate to securities, you have no rights against the company that has issued such securities, and where the Notes relate to an index, you have no rights against the sponsor of such index and where the Notes relate to a fund, you have no rights against the manager of such fund. Further, an investment in the Notes is not an investment in the underlying assets and you will have no rights in relation to voting rights or other entitlements (including any dividend or other distributions).

Risks associated with the lack of independence of each Issuer and, as the case may be, the Guarantor

Société Générale will act as issuer under the Programme, as the Guarantor of the Notes issued by Société Générale Acceptance N.V. and SG Option Europe and also as provider of hedging instruments to each Issuer. As a result, investors will be exposed not only to the credit risk of the Guarantor but also operational risks arising from the lack of independence of the Guarantor in assuming its duties and obligations as the Guarantor and provider of the hedging instruments. The operational risks arising from such lack of independence are in part reduced by the fact that different divisions within the Guarantor will be responsible for implementing the Guarantee and providing the hedging instruments and that each division is run as a separate operational unit, segregated by Chinese walls and run by different management teams. Whilst compliance procedures require effective segregation of duties and responsibilities between the relevant divisions within the Guarantor, the possibility of conflicts of interest arising cannot be wholly eliminated.

Conflicts of interest

The Issuer and the Guarantor provide a full array of capital market products and advisory services worldwide including the issuance of “structured” Notes where interest and/or principal is/are linked to the performance of underlying assets. The Issuer and the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the underlying assets. Such activities and information may cause consequences adverse to the Noteholders. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the underlying assets or the companies to which they relate. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the Notes or the effect that such activities may directly or indirectly have on any Note.

Hedging and trading activity by each Issuer, the Guarantor and their affiliates could potentially affect the value of the Notes

In the ordinary course of their business, whether or not they will engage in any secondary market making activities, the Issuer, the Guarantor and/or any of their affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Reference Asset(s) or related derivatives. In addition, in connection with the offering of the Notes, the Issuer, the Guarantor and/or their affiliates may enter into one or more hedging transactions with respect to the Reference Asset(s) or related derivatives. In connection with such hedging or any market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and/or the Group, the Issuer, the Guarantor and/or their affiliates may enter into transactions in the Reference Asset(s) or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the relevant Noteholders.

The above situations may result in consequences which may be adverse to your investment. The Issuer and the Guarantor assume no responsibility whatsoever for such consequences and their impact on your investment.

No Events of Default in respect of Notes issued by Société Générale

In no event will holders of Notes issued by Société Générale be able to accelerate the maturity of their Notes. Accordingly, such holders will have claims only for amounts then due and payable on their Notes.

B. Risks Relating to Notes

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **Relevant Factor**). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes or Dual Currency Notes and the suitability of such Notes in light of its particular circumstances.

Partly-Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one part payment. Failure to pay any subsequent part payment could result in an investor losing some or all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued linked to certain events

The interest rate or redemption amount of certain Notes may be linked to the occurrence or non-occurrence of certain events which are not connected with the Issuer or the Guarantor such as credit, weather or sporting events. The occurrence of such events is beyond the control of the Issuer and the Guarantor and Noteholders are exposed to the risk of such event occurring or not, as the case may be.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The Issuer's obligations in relation to Subordinated Notes are subordinated

In the case of Subordinated Notes issued by Société Générale, the Issuer's obligations will be unsecured and subordinated and will rank junior in priority of payment to unsubordinated creditors (including depositors) of that Issuer, as more fully described in the Terms and Conditions.

In the case of Subordinated Notes issued by Société Générale, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of Subordinated Notes shall be subordinated to the payment in full of unsubordinated creditors (including depositors) and, subject to such payment in full, the holders of such Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer and any *titres participatifs* issued by it. In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with Subordinated Notes will be terminated. The holders of such Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that investors in Subordinated Notes will lose all or some of their investment should the Issuer become insolvent.

Under certain conditions, interest payments under Subordinated Notes can be deferred

If at the *Assemblée Générale* immediately prior to an Interest Payment Date, no dividend on any class of share capital of Société Générale for the immediately preceding fiscal year is declared, then the Issuer may defer the payment of interest on the Subordinated Notes until whichever is the earliest of: (A) the interest payment date immediately following the date upon which at the *Assemblée Générale* immediately preceding such interest payment date a dividend is declared on any class of share capital of Société Générale, and (B) the commencement of a liquidation or dissolution of Société Générale.

However, the Issuer may at any time give notice of its intention to pay any accumulated previously deferred interest and upon expiry of any such notice, it shall be obliged to pay such amounts.

In no event will holders of Subordinated Notes be able to accelerate the maturity of their Subordinated Notes; such holders will have claims only for amounts then due and payable on their Subordinated Notes. After the Issuer has fully paid all deferred interest on any issue of Subordinated Notes and if that issue of Subordinated Notes remains outstanding, future interest payments on that issue of Subordinated Notes will be subject to further deferral as described above.

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

Early redemption

Any early redemption of Subordinated Notes in accordance with Condition 7(b), (c) or (e) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 6(b), (c) or (e) of the Terms and Conditions of the French Law Notes will be subject to the prior written approval of the *Secrétariat général de la Commission bancaire* in France.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification

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

EU Savings Directive

If, following implementation of this Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent following implementation of this Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The conditions of the Notes are based on relevant laws in effect as at the date of this Debt Issuance Programme Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Debt Issuance Programme Prospectus.

Notes where denominations involve integral multiples: Definitive Bearer Notes

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Bearer Note in respect of such holding (should Definitive Bearer Notes be printed)

and would need to purchase a principal amount of Bearer Notes such that its holding amounts to a Specified Denomination.

If Definitive Bearer Notes are issued, holders should be aware that Definitive Bearer Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Transfer Restrictions

The Notes may be subject to certain transfer restrictions. In particular, any Notes offered and sold or intended to be transferred in the United States or to, or for the account or benefit of, U.S. persons, can only be sold or otherwise transferred to certain transferees as described under “Subscription, Sale and Transfer Restrictions”. Such restrictions on transfer may limit the liquidity of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time and potentially until their maturity.

Any sale or transfer of Notes in the United States or to, or for the account or benefit of, U.S. persons in violation of the transfer restrictions that would cause any Issuer to become required to register as an investment company under the Investment Company Act will be void *ab initio* and will not be honoured by the relevant Issuer, except to the extent otherwise required by law. In addition, the relevant Issuer may, in its discretion, redeem the Notes held by such purchaser or other transferee or compel any such purchaser or other transferee to transfer such Notes.

Risk Factors relating to Index Linked Notes the redemption amount of which is linked to one or more fund units¹

Fund units, and investments in hedge funds generally, are speculative and involve a high degree of risk. Neither the relevant Issuer nor the Guarantor gives any assurance as to the performance of fund units.

Hedge funds, including the funds on which Index Linked Notes may be indexed, generally do not make information about their operations and holdings public. Even if the relevant Issuer, the Guarantor or any affiliate of Société Générale may have arrangements with a fund’s managers to obtain information required to calculate the value of the fund, it may not have access to the activities of the fund on a continuous basis or at all. There are currently no regulatory requirements compelling funds to release information of the kind that would allow the relevant Issuer, the Guarantor or any affiliate of Société Générale to value a fund or to accurately determine the value of the fund units and, consequently, the Final or Early Redemption Amount of the relevant Notes.

Société Générale and certain of its affiliates from time to time obtain information regarding specific hedge funds that may not be available to the general public. Any such information is obtained by Société Générale and certain of its affiliates in the ordinary course of their businesses, and not in connection with the offering of the Notes (including in respect of funds that are managed by managers affiliated with Société Générale). In connection with the ordinary course of their businesses, Société Générale and certain of its affiliates may recommend, or determine not to recommend, specific hedge funds to their clients. Hedge funds as to which Société Générale and certain of its affiliates have formed investment recommendations may now or may in the future be among the underlying funds used in the redemption formula of Notes. Any views that may be held by Société Générale and certain of its affiliates with respect to the expected future performance of one or more of the funds (including in respect of funds that are managed by managers affiliated with Société Générale) would not be an indication of the future expected performance of the fund, and neither Société Générale nor any of its affiliates has formed a view with respect to the expected future performance of a fund. The offering of the Notes does not constitute a recommendation by Société Générale or any of its affiliates with respect to an investment linked to an underlying fund (including in respect of funds that are managed by managers affiliated with Société Générale).

¹ Statements in this section concerning funds and fund managers also apply to any portfolio or basket of funds and any related portfolio manager.

Volatility of the markets may adversely affect the value of the fund units

Hedge funds' performances may be highly volatile. Movements in the net asset value of the fund tracked by the fund units may vary from month to month. Trades made by fund managers may be based upon their expectation of price movements as the relevant investments approach and reach maturity several months following initiation of the trades. In the meantime, the market value of positions may not increase, and may in fact decrease, and this will be reflected in the net asset value per share.

Investments made by the underlying funds can involve substantial risks. The nature of these investments means that the value of the fund units may fluctuate significantly during a day or over longer periods. Consequently, the performance of the fund units over a given period will not necessarily be indicative of future performance.

Market volatility may produce significant losses on the fund units.

The use of leverage may increase the risk of loss in the value of the fund units

The underlying funds may have recourse to leverage i.e. borrow amounts that represent more than 100 per cent. of the value of their assets to invest further in assets that involve further risks. Accordingly, a small downward movement in the value of a fund's assets may result in a significantly larger loss of the fund.

Funds managers may be eligible to earn incentive compensation

The potential for a fund manager to earn performance based compensation (including a manager that is affiliated with Société Générale) may encourage such fund manager to trade in a more speculative manner than it otherwise would.

Funds managers' investments are not verified

Neither of the relevant Issuer, nor Société Générale as Guarantor or as Calculation Agent under the Notes, nor Société Générale's affiliates is or will be responsible for verifying or ensuring that the fund's managers comply with its stated trading strategy (including a manager that is affiliated with Société Générale).

The fund's managers (including a manager that is affiliated with Société Générale) do not have any obligations to the Noteholders, or other role in connection with, the Notes, including any obligation to take the needs of the Noteholders into consideration for any reason. The fund's managers (including a manager that is affiliated with Société Générale) are not responsible for, and have not endorsed or participated in, the offering, placement, sale, purchase or transfer of the Notes. The fund's managers (including a manager that is affiliated with Société Générale) are not responsible for, and will not participate in, the determination or calculation of the amounts receivable by Noteholders.

Hedge funds, including the underlying funds, are not subject to the same regulatory regime, or regulated to the same extent as, mutual funds or registered securities or securities offerings. Changes to the current regulatory environment could affect the investment, operations and structure of the underlying funds and could adversely affect the performance of the underlying funds.

The underlying funds may invest in assets that involve further risks.

Fees, deductions and charges will reduce the Final Redemption Amount

Fund fees will be deducted from the net asset value of the fund, reducing the value of the fund units. Accordingly, to the extent that the Final Redemption Amount is linked to the net asset value of a fund, the Final Redemption Amount payable to Noteholders will be less than it would have been absent these fees, deductions and charges, but Société Générale or one of its affiliates may be the beneficiary of such fees or obtain rebate on such fees from third parties.

Additional investments in, or withdrawals of amounts previously invested in, the fund may adversely affect the value of the fund units

The Issuer, in order to hedge its obligations under the Notes, may enter into a hedging transaction with Société Générale or one of its affiliates who in turn will hedge itself by investing in units of the underlying funds. Investors should be aware that, as a result of hedging decisions by the hedging counterparty, transfers into or out of the fund by the hedging counterparty may affect the value of the fund units and, in turn, the Final Redemption Amount of the Notes.

Furthermore, the Issuer may issue additional Tranches of Notes that are fungible with the Notes, or other bonds, notes or instruments that, while not fungible with the Notes, may be linked to an index with a component which has the underlying funds as reference asset. If such Notes are issued, Société Générale is likely to make additional investments in the underlying funds to hedge exposure incurred in connection with such transactions related to such Notes. Any such investment in the underlying funds could adversely affect the performance of the fund units, which could adversely affect the trading value of the Notes and the Final Redemption Amount.

Common risk factors relating to Index Linked Notes

Where payments (whether in respect of principal and/or interest and whether at maturity or otherwise) on Index Linked Notes are calculated by reference to an index or a basket of indices, or a share or a basket of shares, the creditworthiness of any reference entity or reference obligation or a basket of reference entities or reference obligations, a commodity or a basket of commodities, (each a **Reference Asset**), the return of the Notes is based on changes in the value of the Reference Asset, which fluctuates. Changes in the value of the Reference Asset cannot be predicted. Although historical data with respect to the Reference Asset is available, the historical performance of the Reference Asset should not be taken as an indication of future performance.

Investors' yield may be lower than the yield on a standard debt security of comparable maturity

Unlike conventional fixed rate or floating rate debt securities, Index Linked Notes whose payments (whether in respect of principal and/or interest and whether at maturity or otherwise) are calculated by reference to an index, may not provide investors with periodic payments of interest. Further, with respect to the Final Redemption Amount, the effective yield to maturity of the Notes may be less than that which would be payable on a conventional fixed rate or floating rate debt security. The return of only the Final Redemption Amount of each Note at maturity may not compensate the holder for any opportunity cost implied by inflation and other factors relating to the value of money over time.

Risk factors relating to Index Linked Notes based on indices

Return does not reflect dividends

Depending upon the calculation methodology of an index, where the performance of an index is taken into account in order to calculate payments due under the Index Linked Notes the payment of income (such as dividends for an index that has stocks as underlyings) may not be reflected as the index may be calculated by reference to the prices of the underlyings comprising the index without taking into consideration the value of any income paid on those underlying assets. Therefore, the yield to maturity of Index Linked Notes referring to an index may not be the same as the yield that would be produced if such underlying assets were purchased and held for a similar period.

Risks relating to an index

Index Linked Notes based on an index are subject to risks broadly similar to those attending any investment in a broadly-based portfolio of assets including, without limitation, the risk that the general level of prices for such assets may decline. The following is a list of some of the significant risks associated with an index:

- historical performance of the index does not indicate the future performance of the index. It is impossible to predict whether the value of the index will fall or rise during the term of the Notes;
- if the index comprises underlying stocks, the trading prices of the stocks underlying the index will be influenced by political, economic, financial, market and other factors. It is impossible to predict what effect these factors will have on the value of any asset related to the index and, in turn, the return on the Notes;

The policies of the sponsor of an index (including a sponsor that is affiliated with Société Générale) concerning additions, deletions and substitutions of the assets underlying the index and the manner in which the index sponsor takes account of certain changes affecting such underlying assets may affect the value of the index. The policies of an index sponsor with respect to the calculation of an index could also affect the value of the index. An index sponsor may discontinue or suspend calculation or dissemination of information relating to its index. Any such actions could affect the value of the Notes. See the Technical Annex for more details.

In addition, indices may be subject to management fees and other fees as well as charges that are payable to the index sponsor(s) and which can reduce the Final Redemption Amount payable to Noteholders. Such fees may be paid to index sponsors that are affiliates of Société Générale.

Conflicts of interest in connection with indices

The composition of, and the methodologies used in connection with, certain indices to which Notes are linked may be determined and selected by Société Générale or one of its affiliates. In selecting such methodologies, Société Générale or the relevant affiliate of Société Générale, can be expected to have regard to its own objectives and interests and/or those of the group and there is no guarantee that the methodologies selected will not be less favourable to the interests of investors than methodologies used by other index sponsors in comparable circumstances.

If the hedging activities of Société Générale or one of its affiliates in connection with a particular index are disrupted, Société Générale or the relevant affiliate may decide to terminate calculations in relation to such index sooner than another index sponsor would in comparable circumstances. Such a termination may trigger the early redemption of the Notes.

Risk factors specific to Index Linked Notes based on shares

No beneficial interest in the underlying shares

A holder of the Notes will not be a beneficial owner of the underlying shares and therefore will not be entitled to receive any dividends or similar amounts paid on the underlying shares, nor will a Noteholder be entitled to purchase the underlying shares by virtue of their ownership of the Notes. Moreover, holders of the Notes will not be entitled to any voting rights or other control rights that holders of the underlying shares may have with respect to the issuer of such underlying shares. The Final Redemption Amount will not reflect the payment of any dividends on the underlying shares. Accordingly, the return on the Notes will not reflect the return you would realise if you actually owned the underlying shares and received dividends, if any, paid on those securities. Therefore, the yield to maturity based on the methodology for calculating the Final Redemption Amount will not be the same yield as would be produced if the underlying shares were purchased directly and held for a similar period.

Limited antidilution protection

The Calculation Agent may make adjustments to elements of the Notes as described in the Technical Annex. The Calculation Agent is not required to make an adjustment for every corporate event that may affect the underlying shares. Those events or other actions by the issuer of underlying shares or a third party may nevertheless adversely affect the market price of the underlying shares and, therefore, adversely affect the value of the Notes. The issuer of underlying shares or a third party could make an offering or exchange offer or the

issuer of underlying shares could take another action that adversely affects the value of the underlying shares and the Notes but does not result in an adjustment.

Risks arising from conduct of issuers of shares

The issuers of underlying shares are not involved in the offer of the Notes in any way and have no obligation to consider your interest as a holder of the Notes in taking any corporate actions that might affect the value of the Notes. The issuers of underlying shares may take actions that will adversely affect the value of the Notes.

Risk Factors relating to Commodity Linked Notes

Commodity Linked Notes may be redeemed by the Issuer at their par value and/or by the physical delivery of the underlying asset(s) and/or by payment of an amount determined by reference to the value of the underlying asset(s). Accordingly, an investment in Commodity Linked Notes may bear similar market risks to a direct investment in the relevant commodities and investors should take advice accordingly. Interest payable on Commodity Linked Notes may be calculated by reference to the value of one or more underlying asset(s). The value of the underlying asset(s) may vary over time and may increase or decrease by reference to a variety of factors which may include global supply and demand of commodities to which the underlying asset(s) refer, production and selling activities of the respective commodities by producers, central banks and international organisations, demand for end-products based on the respective commodity, net investment demand and industrial demand.

Risk Factors relating to Credit Linked Notes*

In the event of the occurrence of certain circumstances (which may include, amongst other things, Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring) in relation to a Reference Entity or Reference Entities, in each case as specified in the applicable Final Terms, the obligation of the Issuer to pay principal may be replaced by (i) an obligation to pay other amounts which are equal to either certain fixed amount(s) as specified in the applicable Final Terms or amounts calculated by reference to the value of the underlying asset(s) (which may, in each case, be less than the par value of the Notes at the relevant time) and/or (ii) an obligation to deliver the underlying asset(s). In addition, interest-bearing Credit Linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances.

Accordingly, Noteholders may be exposed to fluctuations in the creditworthiness of the Reference Entities to the full extent of their investment in the Credit Linked Notes.

Under the terms of the Notes, where Société Générale acts as Calculation Agent, it may, for the purposes of determining the Cash Settlement Amount or Physical Delivery Amount, select obligations with the lowest price of any obligations which meet the relevant criteria. In making such selection, the Calculation Agent will not be liable to account to the Noteholders, or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from such selection.

The Cash Settlement Amount may be equal to zero if it is not possible to obtain quotations from Quotation Dealers for the selected obligations.

C. Market and Other Risks

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

* Capitalised terms used in this section, but not otherwise defined in this Debt Issuance Programme Prospectus, shall have the meanings given to them in the Credit Technical Annex.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Any decline in the credit ratings of each Issuer or the Guarantor may affect the market value of the Notes

The credit ratings of the Issuers and the Guarantor are an assessment of its ability to pay its obligations, including those on the offered Notes. Consequently, actual or anticipated declines in the credit ratings of either Issuer and/or the Guarantor may affect the market value of the relevant Notes.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Debt Issuance Programme Prospectus and have been filed with the CSSF shall be incorporated in, and to form part of, this Debt Issuance Programme Prospectus:

- (a) the English version of the 2007 *Document de référence* of Société Générale submitted to the *Autorité des Marchés Financiers* on 7 March 2007 under No D 07-0146 (the **2007 Registration Document**), which contains, among other things, the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2006 and the related notes (at pages 152-245) and audit report (at pages 246-247) except for page 1 containing the *Autorité des Marchés Financiers* visa, the statement made by M. Bouton of Société Générale at page 326 of the 2007 Registration Document and Chapter 13, pages 327 to 328, containing the Cross Reference Table. To the extent that the 2007 Registration Document itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein; and
- (b) the English version of the 2005 *Rapport Annuel* of Société Générale submitted to the *Autorité des Marchés Financiers* on 9 March 2006 as the 2006 *Document de référence* under N° D.06-117 (the **2006 Registration Document**), which contains, among other things, the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2005 and the related notes (at pages 128-214) and the audit report (at pages 215-216) except for page 1 containing the *Autorité des Marchés Financiers* visa, the statement by M. Bouton of Société Générale at page 272 and Chapter 13, pages 273 to 274, containing the Cross Reference Table. To the extent that the 2006 Registration Document itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- (c) the audited annual financial statements for the financial years ended 31 December 2005 and 31 December 2006 of SGA Société Générale Acceptance N.V. and the related notes and audit reports for each such year; and
- (d) the audited annual financial statements for the financial years ended 31 December 2004 and 31 December 2005 and the related notes and audit reports for each such year as well as the unaudited interim financial statement for the six-month period ended 30 June 2006 of SG Option Europe.

Any information not specifically referred to above but contained in a document incorporated by reference herein is incorporated by reference for information purposes only.

Following the publication of this Debt Issuance Programme Prospectus a Debt Issuance Programme Prospectus Supplement may be prepared by the relevant Issuer (and, if applicable, Guarantor) and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such Supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Debt Issuance Programme Prospectus or in a document which is incorporated by reference in this Debt Issuance Programme Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Debt Issuance Programme Prospectus.

Copies of documents incorporated by reference in this Debt Issuance Programme Prospectus can be obtained from the office of Société Générale and the specified office of each of the Paying Agents (as defined below), in each case at the address given at the end of this Debt Issuance Programme Prospectus. This Debt Issuance Programme Prospectus and the documents incorporated by reference are available on the Luxembourg Stock Exchange website at www.bourse.lu.

Each Issuer and the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Debt Issuance Programme Prospectus which is capable of

affecting the assessment of any Notes, prepare a Debt Issuance Programme Prospectus Supplement to this Debt Issuance Programme Prospectus or publish a new prospectus for use in connection with any subsequent issue of Notes.

CROSS-REFERENCE LIST FOR SOCIÉTÉ GÉNÉRALE

Information included in the 2006 and 2007 Registration Documents

I. SELECTED FINANCIAL INFORMATION	
Selected historical financial information regarding the Issuer.	2007 Registration Document, pages 14 to 16 2006 Registration Document, pages 8 to 9
II. INFORMATION ABOUT THE ISSUER	
<u>HISTORY AND DEVELOPMENT OF THE ISSUER:</u>	
The legal and commercial name of the Issuer;	2007 Registration Document, pages 2 and 310
The place of registration of the Issuer and its registration number;	2007 Registration Document, page 310
The date of incorporation and the length of life of the Issuer;	2007 Registration Document, page 310
The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office;	2007 Registration Document, page 310
Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Not applicable
<u>INVESTMENTS</u>	
A description of the principal investments made since the date of the last published financial statements.	2007 Registration Document, pages 49 to 51
Information concerning the Issuer's principal future investments, on which its management bodies have already made firm commitments.	2007 Registration Document, pages 48 and 50 to 51
III. BUSINESS OVERVIEW	
<u>PRINCIPAL ACTIVITIES</u>	
A description of the Issuer's principal activities stating the main categories of products sold and/or services performed; and	2007 Registration Document, pages 4 to 12 and 47
An indication of any significant new products and/or activities.	2007 Registration Document, page 47
<u>PRINCIPAL MARKETS</u>	
A brief description of the principal markets in which the Issuer competes.	2007 Registration Document, pages 242 to 244
The basis for any statements made by the Issuer regarding its competitive position.	2007 Registration Document, pages 32 to 45

IV. ORGANISATIONAL STRUCTURE	
If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	2007 Registration Document, pages 24 to 25
V. TREND INFORMATION	
Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.	2007 Registration Document, page 49
VI. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
Names, business addresses and functions in the Issuer of the members of the administrative, management, and supervisory bodies, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:	2007 Registration Document, pages 58 to 88
<u>CONFLICTS OF INTEREST</u>	
Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, make a statement to that effect.	2007 Registration Document, page 62
VII. BOARD PRACTICES	
Details relating to the Issuer's audit committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	2007 Registration Document, pages 72 to 77
A statement as to whether or not the Issuer complies with its country's of incorporation corporate governance regime(s). In the event that the Issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the Issuer does not comply with such a regime.	2007 Registration Document, page 72
VIII. MAJOR SHAREHOLDERS	
To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	2007 Registration Document, page 21 and page 304
A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	Not applicable
IX. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	See cross references to Société Générale's audited annual consolidated financial statements for the financial years ended 31 December 2005 and 31 December 2006 contained in "Document References" below.
<u>FINANCIAL STATEMENTS</u>	

<p>If the Issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	<p>See cross references to Société Générale's audited annual consolidated financial statements for the financial years ended 31 December 2005 and 31 December 2006 contained in "<i>Document References</i>" below</p>
<u>AUDITING OF HISTORICAL ANNUAL FINANCIAL INFORMATION</u>	
<p>A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.</p>	<p>See cross references to Société Générale's audited annual consolidated financial statements for the financial years ended 31 December 2005 and 31 December 2006 contained in "<i>Document References</i>" below</p>
X. SHARE CAPITAL	
<p>The amount of the issued capital, the number and classes of the shares of which it is composed with details of their principal characteristics, the part of the issued capital still to be paid up, with an indication of the number, or total nominal value, and the type of the shares not yet fully paid up, broken down where applicable according to the extent to which they have been paid up.</p>	<p>2007 Registration Document, pages 19 to 21 and 303 to 307</p>
XI. MEMORANDUM AND ARTICLES OF ASSOCIATION	
<p>The register and the entry number therein, if applicable, and a description of the Issuer's objects and purposes and where they can be found in the memorandum and articles of association.</p>	<p>2007 Registration Document, pages 310 to 322</p>
XII. MATERIAL CONTRACTS	
<p>A brief summary of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the securities being issued.</p>	<p>2007 Registration Document, page 55</p>
XIII LEGAL AND ARBITRATION PROCEEDINGS	
<p>Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.</p>	<p>2007 Registration Document, pages 143 - 144</p>

**CROSS REFERENCES RELATING TO FINANCIAL STATEMENTS OF
SOCIÉTÉ GÉNÉRALE SGA, SOCIÉTÉ GÉNÉRALE ACCEPTANCE N.V. AND SG OPTION
EUROPE**

Société Générale's audited annual consolidated financial statements for the financial year ended 31 December 2005	English version of 2006 Registration Document of Société Générale submitted to the <i>Autorité des Marchés Financiers</i> on 9 March 2006 under N° D.06-0117 which contains the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2005.
Balance Sheet relating to the above	Pages 128 and 129
Income Statement relating to the above	Pages 130 to 132
Cash-flow Statement relating to the above	Page 133
Notes relating to the above	Pages 134 to 214
Accounting Principles relating to the above	Pages 134 to 152
Audit report relating to the above	Pages 215 and 216
Société Générale's audited annual consolidated financial statements for the financial year ended 31 December 2006	English version of 2007 Registration Document of Société Générale submitted to the <i>Autorité des Marchés Financiers</i> on 7 March 2007 under N° D.07-0146 which contains the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2006.
Balance Sheet relating to the above	Pages 152 and 153
Income Statement relating to the above	Pages 154 to 157
Cash-flow Statement relating to the above	Page 158
Notes relating to the above	Pages 159 to 245
Accounting Principles relating to the above	Pages 159 to 178
Audit report relating to the above	Pages 246 and 247
Société Générale simplified organisational chart	Pages 24 and 25
Société Générale subsidiaries included in its consolidated group as at 31 December 2006 (note 42 to the financial statements)	Pages 232 to 241
Further information on Société Générale's share capital (including a breakdown of capital and voting rights)	Pages 44 to 45 and 155 to 157
Information on the Group's core business operations in 2006 (including significant new products and activities)	Pages 4 to 12 and 47
Société Générale current significant litigation	Pages 143 to 144
SGA Société Générale Acceptance N.V. audited annual financial statements for the financial year ended 31 December 2005 and related notes and audit report	Pages 1 to 19
Balance Sheet relating to the above	Pages 4 to 5
Income Statement relating to the above	Pages 8 to 10
Cash-flow Statement relating to the above	Page 19

Notes relating to the above	Pages 11 to 17
Accounting Principles relating to the above	Page 12 Note 2
Audit report relating to the above	Cover Page
SGA Société Générale Acceptance N.V. audited annual financial statements for the financial year ended 31 December 2006 and related notes and audit report	1 to 19
Balance Sheet relating to the above	Pages 4 to 5
Income Statement relating to the above	Pages 9 to 10
Cash-flow Statement relating to the above	Page 19
Notes relating to the above	Pages 12 to 19
Accounting Principles relating to the above	Page 12 Note 2
Audit report relating to the above	Cover Page
SG Option Europe audited annual financial statements for the financial years ended 31 December 2004 and 31 December 2005 and related notes	Pages 1 to 38
Balance Sheet relating to the above	Financial Statements Pages 3 to 6
Income Statement relating to the above	Financial Statements Pages 7 to 8
Cash-flow Statement relating to the above	Financial Statements Pages 39 to 40
Notes relating to the above	Financial Statements Pages 15 to 38
Accounting Principles relating to the above	Financial Statements Pages 10 to 13
Audit report relating to the above	Audit report Pages 1 to 3
SG Option Europe unaudited interim financial statements for the six-month period ended 30 June 2006 and related notes	Pages 1 to 39
Balance Sheet relating to the above	Financial Statements Pages 3 to 6
Income Statement relating to the above	Financial Statements Pages 7 to 8
Cash-flow Statement relating to the above	Financial Statements Page 39
Notes relating to the above	Financial Statements Pages 15 to 38
Accounting Principles relating to the above	Financial Statements Pages 10 to 13
Report of review by Auditors relating to the above	Page 1

Any information not specifically referred to above but contained in a document incorporated by reference herein is incorporated by reference for information purposes only.

FORM OF THE NOTES

English Law Notes

Each Tranche of English Law Notes will be either Bearer Notes (with or without interest coupons attached) issued outside the United States in reliance on the exemption from registration provided by Regulation S or Registered Notes (without interest coupons attached) issued outside the United States in reliance on the exemption from registration provided by Regulation S and/or within the United States in reliance on Rule 144A under the Securities Act.

Bearer Notes

Each Tranche of Bearer Notes (except for SIS Notes, as defined below) will be initially issued in the form of a temporary global Note or, if so specified in the applicable Final Terms, a permanent global Note which, in either case, will:

- (i) if the global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**); and
- (ii) if the global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for, Euroclear and Clearstream, Luxembourg.

Bearer Global Notes (as defined under “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”) (except for SIS Notes) will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Special procedures must be followed for SIS Notes in order for such Notes to be exempt from Certification (as defined below). Each of the relevant Dealers must have represented and agreed in the Programme Agreement that (a) it will comply with U.S. selling restrictions in so far as they apply to SIS Notes and (b) the offering and sale of the SIS Notes has been and will be conducted in accordance with Swiss laws and regulations.

A Note which is, or is intended to be, deposited with SIS and cleared through SIS (as defined below) (an **SIS Note**), must fulfil the following criteria in order to be exempt from Certification:

- (1) the interest on, and the principal of, the SIS Notes are denominated only in Swiss Francs;
- (2) the interest on, and the principal of, the SIS Notes are payable only in Switzerland;
- (3) the SIS Notes are offered and sold in accordance with Swiss customary practice and documentation;
- (4) the relevant Dealers agree to use reasonable efforts not to sell the SIS Notes outside Switzerland;
- (5) the SIS Notes are not listed, or subject to an application for listing, on an exchange located outside Switzerland;
- (6) the issuance of the SIS Notes is subject to guidelines or restrictions imposed by Swiss governmental, banking or securities authorities; and

- (7) more than 80 per cent. by value of the SIS Notes included in the offering of which they are part are offered and sold to non-Dealers by Dealers maintaining an office located in Switzerland.

Any SIS Notes which are cleared through SIS will be represented by a permanent global Note and governed by English law.

SIS Notes represented by a permanent global Note will be exchangeable for Definitive Bearer Notes in the circumstances set out therein and, if such SIS Notes are listed on the SWX (as defined below), holders of such permanent global Note will not have the right to request the delivery of Definitive Bearer Notes. SIS Notes will be delivered through SIS or any other clearing institution recognised by the SWX in order to be subject to an exemption from Certification. Each global Note will be allocated a Series number and a Tranche number within that Series as indicated in the applicable Final Terms.

In the event that a Bearer Global Note, other than an SIS Note, held on behalf of Euroclear and/or Clearstream, Luxembourg (or any part thereof) has become due and repayable in accordance with the Conditions or that the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the bearer in accordance with the Conditions, then the global Note will become void. At the same time, accountholders with Euroclear and/or Clearstream, Luxembourg having such Notes (other than Definitive Bearer Notes, as defined under “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”) credited to their accounts will become entitled to proceed directly against the Issuer, on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg, under the terms of a deed of covenant (the **Deed of Covenant**) dated 2 May 2007 and executed by each Issuer.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a Regulation S Global Note (as defined in Condition 2(h) (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)). Beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”) and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche offered and sold in the United States or to U.S. persons in private transactions to QIBs that are also QPs will initially be represented by a Rule 144A Global Note (each as defined in Condition 2(h) (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)). Any Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

The Registered Notes of each Tranche eligible for sale in the United States to QIBs pursuant to Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S will initially be represented by a Combined Global Note (as defined in Condition 2(h) (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)). Any Combined Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Registered Global Notes (being Rule 144A Global Notes, Regulation S Global Notes or Combined Global Notes) will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC or (ii) be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Registered Notes (as defined under “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)).

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6(d) (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)) as the registered holder of the Registered Global Notes. None of the Issuer, the Guarantor, or any Agent will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of Definitive Registered Notes will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6(d) (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

Uncertificated Notes

The Issuer may issue Uncertificated Notes which will be in uncertificated and dematerialised book-entry form. Uncertificated Notes will be issued, cleared and settled through a central securities depository and clearing institution. The holder of an Uncertificated Note will be the person appearing in the register of the relevant securities depository and clearing institution in accordance with the legislation, rules and regulations applicable to, and/or issued by, the relevant central securities depository and clearing institution, including, without limitation, the Swedish Central Securities Depository & Clearing Organisation, VPC AB and the Finnish Central Securities Depository Ltd (APF). Uncertificated Notes will be transferable, and payments of principal and interest (if any) thereon will be made, in accordance with such legislation, rules and regulations as further described in “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”.

French Law Notes

Each Tranche of Notes (as defined under “*Terms and Conditions of the French Law Notes*”) specified in the applicable Final Terms to be governed by French law (any such Notes, **French Law Notes**), will be issued in either materialised form (**Materialised Notes**) or dematerialised form (**Dematerialised Notes**), as specified in the applicable Final Terms.

French Law Notes may not be offered, sold or otherwise transferred into the United States or to, or for the account or benefit of, U.S. persons.

Dematerialised Notes

Title to Dematerialised Notes will be evidenced in accordance with article L.211-4 of the *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to article R.211-7 of the *Code monétaire et financier*) will be issued in respect of Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as of the Issue Date of the relevant Tranche of Dematerialised Notes in the books of Euroclear France (a subsidiary of Euroclear Bank S.A./N.V. (**Euroclear France**)) which shall credit the accounts of Euroclear France Account Holders (as defined in “*Terms and Conditions of the French Law Notes*”) including Euroclear and the depository bank for Clearstream, Luxembourg or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in “*Terms and Conditions of the French Law Notes - Form, Denomination(s) and Title*”), in either fully registered form (*nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (designated in the relevant

Final Terms) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders.

One Paris business day before the Issue Date of each Tranche of Dematerialised Notes, the *Lettre Comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

Materialised Notes

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a **Temporary Global Certificate**) will initially be issued in connection with Materialised Notes.

Upon the initial deposit of such Temporary Global Certificate with the Common Depository, Euroclear or Clearstream, Luxembourg (or, if a subscriber holds an account with a clearing system other than Euroclear or Clearstream, Luxembourg which holds an account directly or indirectly in Euroclear or Clearstream, Luxembourg, such other clearing system) will credit the account of each subscriber of such Notes with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Certification as to non-U.S. beneficial ownership

English Law Bearer Notes

Whilst any Bearer Note (except any SIS Note which is exempt from Certification as described above) is represented by a temporary global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the temporary global Note if the temporary global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person (**Certification**), as required by U.S. Treasury regulations, (i) has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Fiscal Agent or, (ii) in the case of a temporary global Note or Temporary Global Certificate held otherwise than on behalf of Euroclear and/or Clearstream, Luxembourg, from the holder thereof.

On and after the Exchange Date (as defined below), interests in the temporary global Note will be exchangeable (free of charge) upon a request as described therein either for, as applicable, (i) interests in a permanent global Note or (ii) Definitive Bearer Notes of the same Series with, where applicable, Receipts, Coupons and Talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Bearer Notes, to such notice period as is specified in the permanent global Note), in accordance with the terms of the temporary global Note against Certification as to beneficial ownership as described above and as required by U.S. Treasury regulations unless such Certification has already been given pursuant to the provisions set forth above; provided, however, that if the relevant global Note is issued in respect of a Tranche of Bearer Notes described as Partly Paid Notes in the applicable Final Terms, such global Note may be exchanged for Definitive Bearer Notes and (if applicable) Coupons, Receipts and/or Talons as described above only if the final part payment on all such Partly Paid Notes then outstanding has been paid. Exchange of a temporary global Note for interests in a permanent global Note will only be made if Definitive Bearer Notes have not already been issued. If Definitive Bearer Notes have already been issued, the temporary global Note may only thereafter be exchanged for Definitive Bearer Notes pursuant to the terms thereof. The holder of a temporary global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due Certification, exchange of the temporary global Note for an interest in a permanent global Note or, in the case of Bearer Notes, for Definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a permanent global Note or will be made through Euroclear and/or Clearstream, Luxembourg, as applicable, to or to the order of the holder thereof (against presentation or surrender (as the case may be) of the permanent global Note if the permanent global Note is not intended to be issued in NGN form) without any requirement for Certification.

French Law Materialised Notes

French Law Notes represented by a Temporary Global Certificate will be exchangeable in whole, but not in part, free of charge to the holder, on or after the Exchange Date (as defined above) for materialised bearer Notes in definitive form (any such Notes, **Definitive Materialised Bearer Notes**), with, where applicable, Receipts, Coupons and Talons attached:

- (i) if the applicable Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable; and
- (ii) otherwise, upon certification as to non-U.S. beneficial ownership in the form set out in the French Law Agency Agreement (as defined under “*Terms and Conditions of the French Law Notes*” below) for Definitive Materialised Bearer Notes.

On or after the Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent (as defined in the French Law Agency Agreement). In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, duly executed and authenticated Definitive Materialised Bearer Notes. Definitive Materialised Bearer Notes will be security printed at the expense of the Issuer in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the French Law Agency Agreement.

For the purposes of this section (“*Certification as to non-U.S. beneficial ownership*”), the **Exchange Date** shall be the day immediately following the later of (i) 40 days after the temporary global Note or, as the case may be, Temporary Global Certificate is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue).

Deed of Covenant

If any Bearer Global Note has become due and repayable in accordance with its Terms and Conditions or if the Maturity Date of such Note has occurred and payment in full of the amount due has not been made in accordance with the provisions of the Bearer Global Note, then the Bearer Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of the Deed of Covenant.

Exchange upon the occurrence of an Exchange Event

The applicable Final Terms with respect to any English Law Notes issued in global form will specify that the relevant permanent global Note or Registered Global Note (as applicable) will be exchangeable (free of charge), in whole but not in part, for Definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached, or, as the case may be, Definitive Registered Notes, upon not less than 60 days' written notice to the Fiscal Agent from or on behalf of, as the case may be, Euroclear and/or Clearstream, Luxembourg acting on the instructions of any holder of an interest in the permanent global Note or Registered Global Note as described therein (unless otherwise specified in the applicable Final Terms) or, in the case of a permanent global Note, if such Note is held otherwise than on behalf of Euroclear or Clearstream, Luxembourg, the bearer thereof, in the event of the occurrence of any of the circumstances described in (i), (ii), (iii), (iv) or (v) below (each, an **Exchange Event**) or by the Issuer in the event of the occurrence of the circumstances described in (iv) below: (i), if applicable, an Event of Default (as defined in Condition 10 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes) has occurred and is continuing; (ii) in the case of Registered Notes registered in the name of a nominee for The Depository Trust Company (**DTC**), either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act; (iii) in the case of a permanent global Note or a Registered Global Note registered in the name of a common depository for Euroclear and/or Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and

Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or have in fact done so and no successor clearing system is available; (iv) on the occasion of the next payment in respect of any Bearer Notes, the Issuer would be required to pay additional amounts as referred to in Condition 8 and such payment would not be required were the Notes in definitive form; provided, however, that if the relevant global Note is issued in respect of a Tranche of Bearer Notes described as Partly Paid Notes in the applicable Final Terms, such global Note may be exchanged for definitive Notes and (if applicable) Coupons, Receipts and/or Talons as described above only if the final part payment on all such Partly Paid Notes then outstanding has been paid; or (v) in the case of Registered Notes, the Issuer has or will become subject to adverse tax consequences which would not be suffered were such Registered Notes represented by a Registered Definitive Note. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 (see “*Terms and Conditions of the English Law Notes and the Uncertificated Notes*”) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Fiscal Agent or, as the case may be, the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (v) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

U.S. Legends

The following legend will appear on all Bearer Notes and Materialised Notes which have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes and Materialised Notes (and, if applicable, receipts or interest coupons) and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “*Subscription, Sale and Transfer Restrictions*”.

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the relevant Purchaser and the Fiscal Agent (including, without limitation, in relation to SIS Notes, SIS SEGAINTERSETTLE AG, the Swiss Securities Services Corporation (SIS) or any other clearing institution acceptable to the SWX Swiss Exchange (the SWX) and, in relation to Uncertificated Notes, the relevant central securities depositary and clearing institution, including, without limitation, VPC, APK and, in relation to Registered Notes represented by Rule 144A Global Notes, the DTC).

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which, subject to amendment, will be completed for each Tranche of Notes issued under the Programme.

Investors should have sufficient knowledge and experience of financial and business matters to evaluate the merits and risks of investing in a particular issue of Euro Medium Term Notes as well as access to, and knowledge of, appropriate analytical tools to assess such merits and risks in the context of their financial situation. Certain issues of Euro Medium Term Notes are not an appropriate investment for investors who are unsophisticated with respect to the applicable interest rate indices, currencies, other indices or formulas, or redemption or other rights or options. Investors should also have sufficient financial resources to bear the risks of an investment in Euro Medium Term Notes. For a more detailed description of the risks associated with any investment in the Notes investors should read the section of the Debt Issuance Programme Prospectus headed “Risk Factors”.

[Date]

[SOCIÉTÉ GÉNÉRALE] [SGA SOCIÉTÉ GÉNÉRALE ACCEPTANCE N.V.] [SG OPTION EUROPE]

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
[Unconditionally and irrevocably guaranteed by Société Générale]
under the €100,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the heading [“*Terms and Conditions of the English Law Notes and the Uncertificated Notes*” / “*Terms and Conditions of the French Law Notes*”] in the Debt Issuance Programme Prospectus dated 2 May 2007 [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**)]¹. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Debt Issuance Programme Prospectus and any Supplement(s) to such Debt Issuance Programme Prospectus published prior to the date hereof (**Supplement(s)**). Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Debt Issuance Programme Prospectus and any Supplement(s). Prior to acquiring an interest in the Notes described herein, prospective investors should read and understand the information provided in the Debt Issuance Programme Prospectus and any Supplement(s). Copies of the Debt Issuance Programme Prospectus, any Supplement(s) and these Final Terms are available for inspection from the head office of the Issuer, the specified offices of the Paying Agents and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu).

[The following language applies if the Notes are Index Linked Notes whose terms rely in whole or in part on the provisions of the Technical Annex.]

[The provisions of the [Equity/Commodities/Credit/Managed Assets Portfolio/Non Equity Security] Technical Annex [(other than clauses [*specify any inapplicable clauses*])] apply to these Final Terms and such documents shall be read together. In the event of any inconsistency between the [Equity/Commodities/Credit/Managed Assets Portfolio] Technical Annex and these Final Terms, these Final Terms shall prevail.]

[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a prospectus with an earlier date.]

¹ Delete in the case of any issue of Private Placement Notes or any Notes to be issued pursuant to a unitary prospectus.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions [under the heading [“*Terms and Conditions of the English Law Notes and the Uncertificated Notes*” / “*Terms and Conditions of the French Law Notes*”] [Debt Issuance Programme Prospectus dated [original date] / Offering Circular dated [original date]] [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**)]². This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Debt Issuance Programme Prospectus dated 2 May 2007 and any Supplement(s) to such Debt Issuance Programme Prospectus published prior to the date hereof (**Supplement(s)**), save in respect of the Conditions which are extracted from the [Debt Issuance Programme Prospectus dated [original date] / Offering Circular dated [original date]] and are attached hereto. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Debt Issuance Programme Prospectus, any Supplement(s) thereto and the [Debt Issuance Programme Prospectus dated [original date] / Offering Circular dated [original date]]. Copies of the Debt Issuance Programme Prospectus, any Supplement(s) and these Final Terms are available for inspection from the head office of the Issuer, the specified offices of the Paying Agents and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu).

[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a Supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive.]

[In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, if the Notes have a maturity of less than one year from the date of issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

- | | | |
|----|-----------------------------------|---|
| 1. | [(i)] Issuer: | [Société Générale]
[SGA Société Générale Acceptance N.V.]
[SG Option Europe] |
| | [(ii)] Guarantor: | Société Générale]
<i>[In respect of Equity Linked Notes, sub-paragraphs 1(i) and, if applicable, 1(ii) above will be restated in the Schedule]</i> |
| 2. | (i) Series Number: | [] |
| | (ii) Tranche Number: | [] |
| | | <i>[If fungible with an existing Series, details of that Series, including the date on which the Notes are expected to become fungible]</i> |
| 3. | Specified Currency or Currencies: | [] |
| | | <i>[In respect of Equity Linked Notes, this will be restated in the Schedule]</i> |
| 4. | Aggregate Nominal Amount: | |

² Delete in the case of any issue of Private Placement Notes or any Notes to be issued pursuant to a unitary prospectus.

- (i) Tranche: []
- (ii) Series: []
[In respect of Equity Linked Notes, sub-paragraphs 4(i) and 4(ii) above will be restated in the Schedule]
5. Issue Price: [[] per cent. of the Aggregate Nominal Amount /
[insert amount] per Note of [insert amount] Specified Denomination] [plus an amount equal to the interest accrued from and including [insert date] to but excluding the Issue Date (which is equal to [] days' accrued interest) *[if applicable]*]
[In respect of Equity Linked Notes, this will be restated in the Schedule]
6. [(a)] Specified Denomination(s): []
- [In respect of any issue of Private Placement Notes or any issue of Notes by SGA Société Générale Acceptance N.V., the €1,000 minimum denomination is not required.]*
- [Where multiple denominations above €50,000 or its equivalent in another currency are being used, the following sample wording should be followed:*
- “[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination exceeding [€99,000].”³*
- [In respect of Equity Linked Notes, this will be restated in the Schedule]*
- [In respect of Dematerialised Notes, there should be one denomination only]*
- [In respect of Registered Notes, the Specified Denomination means the minimum integral amount in which transfers can be made and in the case of any transaction in reliance on Rule 144A, shall be at least USD100,000 (or its equivalent in any other currency)]*
- [In respect of Credit Linked Notes:*
(in relation to each Note, and subject to Part 1 of the Credit Technical Annex, the **Nominal Amount**)]

³

Not Applicable in the case of Registered Notes, Uncertificated Notes or French Law Notes.

[(b) Calculation Amount:]

[If there is only one Specified Denomination, insert the Specified Denomination.]

[If there is more than one Specified Denomination, insert the highest common factor. Note: there must be a common factor in the case of two or more Specified Denominations.]

[Applicable to Definitive Bearer Notes or Definitive Registered Notes only.]

7. (i) [Issue Date [and Interest Commencement Date]:

[]

[(ii)] [Interest Commencement Date [if different from the Issue Date]:

[]

[In respect of Equity Linked Notes, sub-paragraph 7(i) above will be restated in the Schedule]

8. Maturity Date:

[Fixed rate - specify date/Floating rate - The Interest Payment Date scheduled to fall in [specify a month and a year]]

[In respect of Equity Linked Notes, this will be restated in the Schedule]

[In respect of Credit Linked Notes:

*[The Interest Payment Date scheduled to fall in [specify a month and a year], (the **Scheduled Maturity Date**) provided that the Maturity Date will be:*

*[(a)] the [Physical Settlement Date or the] Cash Settlement Date[, as the case may be,] if a Credit Event Notice is delivered during the Notice Delivery Period, (all as defined in the Credit Technical Annex)[; or
[(b)] the Repudiation/Moratorium Evaluation Date, if:*

(A) a Potential Repudiation/Moratorium occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date;

(B) the Repudiation/Moratorium Extension Condition is satisfied;

(C) the Repudiation/Moratorium Evaluation Date falls after the fourth Business Day immediately preceding the Scheduled Maturity Date; and

(D) no Credit Event Notice in respect of such Potential Repudiation/Moratorium is delivered during the Notice Delivery Period (all as defined in the Credit Technical Annex);]; or

[(c)] the Grace Period Extension Date if

- (A) a Potential Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date; and
- (B) no Credit Event Notice in respect of such Potential Failure to Pay is delivered during the Notice Delivery Period (all as defined in the Credit Technical Annex);]
9. Interest Basis:
- [[] per cent. Fixed Rate]
[[LIBOR/EURIBOR] +/- [] per cent. Floating Rate]
[Fixed/Floating Rate]
[Zero Coupon]
[Index Linked]
[Dual Currency]
[Commodity Linked]
[specify other]
(further particulars specified below)
[In respect of Equity Linked Notes: See paragraphs 15 to 18 below]
10. Redemption/Payment Basis:⁴
- [Redemption at par]
[Index Linked]
[Physical Delivery]
[Dual Currency]
[Partly Paid. See paragraph 30 below]
[Instalment. See paragraph 31 below]
[Commodity Linked]
[Credit Linked. Redemption at par on the Scheduled Maturity Date, subject as otherwise provided in these Final Terms and to the provisions of Part 1 of the Credit Technical Annex]
(further particulars specified below)
[In respect of Equity Linked Notes: See paragraph(s) 20 and/or 23 below]
- [NB: If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.]
11. Change of Interest Basis or Redemption/Payment Basis:
- [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options:
- [Redemption at the option of the Issuer]/[Redemption at the option of the Noteholders] [In the case of Equity Linked Notes: see paragraph(s) 21 and/or 22 below]
[(further particulars specified below)]
13. Status of the Notes:
- [Unsubordinated][[Dated/Undated] Subordinated [as to principal only / as to principal and interest]]

⁴ If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.

[Payment of interest deferrable / not deferrable]

[Undated Subordinated Notes/[specify ranking of interest]]

14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
[If not applicable, delete the remaining sub-paragraphs of this paragraph]

[If applicable, in respect of Equity Linked Notes, sub-paragraphs (ii) and (iii) below will be restated in the Schedule]

[In respect of Credit Linked Notes - American type:
Subject to the provisions of Part 1 of the Credit
Technical Annex]

(i) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]

[If payable other than annually, consider amending Condition 5 of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and Condition 4 of the Terms and Conditions of the French Law Notes (Interest)]

(ii) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]/[specify other]

[NB: This will need to be amended in the case of long or short coupons]

(iii) Fixed Coupon Amount(s): [] per Note of [] Specified Denomination/Calculation Amount

[NB: Calculation Amount is applicable to Definitive Bearer Notes only.]

(iv) Broken Amount(s): [] per Specified Denomination / Calculation Amount, payable on the Interest Payment Date falling on []

[NB: Calculation Amount is applicable to Definitive Bearer Notes only.]

(v) Day Count Fraction: [30/360 or Actual/Actual (ICMA)/specify other]

[In respect of Equity Linked Notes for which (a) interest is not expressed as being a “per annum” rate]

and (b) interest is required to be calculated for a period ending other than on an Interest Payment Date, insert: As provided in Part 3-I-B[(i)][(ii)][(iii)][(iv)] of the Equity Technical Annex]

[In respect of Commodity Linked Notes for which (a) interest is not expressed as being a “per annum” rate and (b) interest is required to be calculated for a period ending other than on an Interest Payment Date, insert: As provided in Part 2-B[(i)][(ii)][(iii)][(iv)] of the Commodities Technical Annex]

(vi) Determination Date(s): [] in each year

[Insert regular Interest Payment Dates, ignoring the Issue Date or Maturity Date in the case of a long or short first or last coupon]

[NB: This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration]

[NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)]

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/give details/See the Schedule]

16. Floating Rate Note Provisions

[Applicable/Not Applicable]

[If not applicable, delete the remaining subparagraphs of this paragraph]

[If applicable in respect of Equity Linked Notes, subparagraphs 16(i), 16(ii), 16(iii), 16(iv), 16(vi) and 16(xi) will be detailed in the Schedule]

[In respect of Credit Linked Notes - American type: Subject to the provisions of Part 1 of the Credit Technical Annex]

(i) Specified Period(s) (see Condition 5(b)(i)(B) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(i)(B) of the Terms and Conditions of the French Law Notes/Interest Payment Date(s): []

(ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Preceding Business Day Convention/Modified Following Business Day Convention [specify other]] [Insert “(unadjusted)” if the application of the relevant business day convention is not intended to affect the Interest Amount: see Condition 5(b)(i) of the

Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(i) of the Terms and Conditions of the French Law Notes].

- (iii) Additional Business Centre(s) and/or Applicable “Business Day” definition (if different from that in Condition 5(b)(i) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(i) of the Terms and Conditions of the French Law Notes): []
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [ISDA Determination/Screen Rate Determination/*specify other*]
- (v) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount (if not the Fiscal Agent): [Not Applicable/*insert name and address*]
- (vi) Screen Rate Determination:
- Reference Rate: []
[Either LIBOR, EURIBOR or other and, if other, include additional information such as fall-back provisions]
 - Interest Determination Date(s): []
[Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR]
 - Specified Time: [] *[which will be 11.00 a.m. London time, in the case of LIBOR or Brussels time, in the case of EURIBOR]*
 - Relevant Screen Page: []
[In the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fall-back provisions appropriately]
- (vii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []

- Reset Date: []
 - (viii) Margin(s): [+/-] [] per cent. per annum
 - (ix) Minimum Rate of Interest: [] per cent. per annum
 - (x) Maximum Rate of Interest: [] per cent. per annum
 - (xi) Day Count Fraction: [Actual/365 or Actual/Actual
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
360/360 or Bond Basis
30E/360 or Eurobond Basis/*other*]
 - (xii) Fall-back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
 - (xiii) Rate Multiplier: [Not Applicable/The Rate Multiplier shall be [n/N]/[n_b/N_b]/*other*]

[*If not applicable, delete the remaining sub-paragraphs of this paragraph*]
 - Benchmark (for the purposes of Condition 5(b)(iii) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(iii) of the Terms and Conditions of the French Law Notes) [USD-LIBOR / GBP-LIBOR / EURIBOR/ USD CMS / EUR CMS / *other*]
 - Floating Rate Option
 - Designated Maturity
 - Upper Limit
 - Lower Limit
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
[*If not applicable, delete the remaining sub-paragraphs of this paragraph*]

- [If applicable in respect of Equity Linked Notes, the following sub-paragraphs will appear and be detailed in the Schedule]
- (i) Accrual Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of determining amount payable: []
- [Consider applicable Day Count Fraction, if euro denominated]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7(g) and 7(l) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 6(g) and 6(l) of the Terms and Conditions of the French Law Notes apply/specify other]
18. **Index Linked Interest Note Provisions** [Applicable/Not Applicable]
- [If not applicable, delete the remaining sub-paragraphs of this paragraph]
- [In respect of Credit Linked Notes - American type: Subject to the provisions of Part 1 of the Credit Technical Annex]
- (i) Index/Formula: [Give or annex details][As specified in the Schedule]
- (ii) Calculation Agent responsible for calculating Rate of Interest and/or Interest Amount (if not the Fiscal Agent): [Not Applicable / insert name and address]
- [In respect of Equity Linked Notes: As provided in Part 3-I of the Equity Technical Annex]
- [In respect of Commodity Linked Notes: As provided in Part 2-A of the Commodities Technical Annex]
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: []
- [In respect of Equity Linked Notes, if the Underlying is covered by the Equity Technical Annex, insert: As provided in the Equity Technical Annex]
- [In respect of Equity Linked Notes, if the Underlying is not covered by the Technical Annex, insert: As provided in the Schedule]
- (iv) Specified Period(s) (see Condition 5(b)(i)(B)) of the Terms and Conditions of the English Law []

Notes and the Uncertificated Notes and 4(b)(i)(B) of the Terms and Conditions of the French Law Notes /Interest Payment Date(s):

- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Preceding Business Day Convention/Modified Following Business Day Convention [*specify other*]] [*Insert “(unadjusted)” if the application of the relevant business day convention is not intended to affect the Interest Amount: see Condition 5(b)(i) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(i) of the Terms and Conditions of the French Law Notes*]
- (vi) Additional Business Centre(s) and/or Applicable “Business Day” definition (if different from that in Condition 5(b)(i) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(i) of the Terms and Conditions of the French Law Notes): []
- (vii) Minimum Rate of Interest: [[] per cent. per annum] [See Index / Formula specified in the Schedule] [*the second alternative is applicable to Equity Linked Notes*]
- (viii) Maximum Rate of Interest: [[] per cent. per annum] [See Index / Formula specified in the Schedule] [*the second alternative is applicable to Equity Linked Notes*]
- (ix) Day Count Fraction: []
- (x) Rate Multiplier: [Not Applicable/The Rate Multiplier shall be [n/N]/[n_b/N_b]/[*other*]]
[*If not applicable, delete the remaining subparagraphs of this paragraph*]
- Benchmark (for the purposes of Condition 5(b)(iii) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 4(b)(iii) of the Terms and Conditions of the French Law Notes [USD-LIBOR/GBP-LIBOR/EURIBOR/USD CMS/EUR CMS/*other*]
 - Floating Rate Option
 - Designated Maturity
 - Upper Limit
 - Lower Limit

19. **Dual Currency Note Provisions** [Applicable/Not Applicable]
[If not applicable, delete the remaining sub-paragraphs of this paragraph]

- (i) Rate of Exchange/method of calculating Rate of Exchange: *[give or annex details]*
- (ii) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount (if not the Fiscal Agent): []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO PHYSICAL DELIVERY

20. **Physical Delivery Note Provisions** [Applicable/Not Applicable]
[If not applicable, delete the remaining sub-paragraphs of this paragraph]
[If applicable in respect of Equity Linked Notes, and except as specified below, the relevant provisions are as set out in the Equity Technical Annex]
[In respect of Credit Linked Notes, if applicable: As provided in the Credit Technical Annex]

- (i) Underlying Assets and/or Formula to be used to determine principal and/or interest or the Physical Delivery Amount: []
[In respect of Equity Linked Notes, if the Underlying is covered by the Equity Technical Annex insert: As specified in the Schedule under “Final Redemption Amount” and, if applicable, “other final terms”, subject to adjustment as provided in the Equity Technical Annex]
[In respect of Equity Linked Notes, if the Underlying is not covered by the Equity Technical Annex insert: As provided in the Schedule]
[In respect of Credit Linked Notes: Portfolio of Specified Deliverable Obligations (as defined in Part 2 of the Credit Technical Annex)]
- (ii) Settlement by way of cash and/or

physical delivery: []

[In respect of Equity Linked Notes, if the Underlying is covered by the Equity Technical Annex insert: As specified in the Schedule under “Final Redemption Amount” and, if applicable, “other final terms”, subject to adjustment as provided in the Equity Technical Annex]

[In respect of Equity Linked Notes, if the Underlying is not covered by the Equity Technical Annex insert: As provided in the Schedule]

[In respect of Credit Linked Notes: Physical delivery except for Undeliverable Obligations (see details in the Credit Technical Annex)]

- (iii) [Issuer/Noteholder] option to vary method of settlement and, if yes, method of election, and procedure, for variation of settlement:

[Yes *[give or annex details]*/No]

[In respect of Credit Linked Notes: As provided in the Credit Technical Annex]

- (iv) If settlement is by way of physical delivery:

- (a) method of delivery of Physical Delivery Amount and consequences of a Settlement Disruption Event(s):

[]

[In respect of Equity Linked Notes: As provided in Part 3.II of the Equity Technical Annex]

[In respect of Credit Linked Notes: Delivery through the Relevant Clearing System unless the Specified Deliverable Obligations are not eligible for clearance by the Relevant Clearing System or otherwise as specified in Part 1 of the Credit Technical Annex, in which case Delivery will take place outside the Relevant Clearing System as set out in Part 1 of the Credit Technical Annex]

- (b) details of how and when Transfer Notice is to be delivered:

[]

[In respect of Equity Linked Notes: As provided in Part 3.II of the Equity Technical Annex]

[In respect of Credit Linked Notes: The common

procedure of transfer currently in force in the Relevant Clearing System]

- (c) details of how entitlement to Physical Delivery Amount will be evidenced:

[]

[In respect of Equity Linked Notes: As provided in Part 3.II of the Equity Technical Annex]

[In respect of Credit Linked Notes: The account balances appearing in the records of the Relevant Clearing System or, if necessary, the number of Notes held by each Noteholder as notified to the Fiscal Agent by the Relevant Clearing System]

- (v) The party responsible for calculating the redemption amount and/or interest amount, or the Physical Delivery Amount, payable (if not the Fiscal Agent):

[Not Applicable / insert name and address]

[In respect of Equity Linked Notes: As provided in Part 3.I of the Equity Technical Annex]

[In respect of Credit Linked Notes: Société Générale acting as Calculation Agent]

17 cours Valmy
92987 Paris La Défense Cedex]

- (vi) Provisions where calculation by reference to the Underlying Assets and/or Formula is impossible or impracticable:

[]

[In respect of Equity Linked Notes, if the Underlying is covered by the Equity Technical Annex insert: As specified in the Schedule under Final Redemption Amount and, if applicable, other final terms, subject to adjustments as provided in the Equity Technical Annex]

[In respect of Equity Linked Notes, if the Underlying is not covered by the Equity Technical Annex insert: As provided in the Schedule]

[In respect of Credit Linked Notes: As provided in the Credit Technical Annex]

- (vii) Details of any other relevant terms, any stock exchange requirements/tax considerations (including details of person responsible for transfer expenses):

[]

[In respect of Equity Linked Notes:
As provided in the Equity Technical Annex and as the case may be in the Schedule]

[In respect of Credit Linked Notes: As provided in the Credit Technical Annex]

- (viii) Method of calculating Early Redemption Amount (if for reasons other than following a redemption for tax reasons or an Event of Default):

[] per Note of [] Specified Denomination/Calculation Amount/Market Value/specify other/see Schedule]

[NB: Calculation Amount applicable in the case of Definitive Bearer Notes only]

[In respect of Credit Linked Notes:
As provided in the Credit Technical Annex]

- (ix) [Credit] Valuation Date(s):

[]

[In respect of Equity Linked Notes:
As provided in the Schedule]

[In respect of Credit Linked Notes:
As provided in the Credit Technical Annex]

- (x) Details of Stock Exchanges(s) and Related Exchange(s):

[]

[In respect of Equity Linked Notes:
As provided in the Schedule]

[In respect of Credit Linked Notes:
Not Applicable]

- (xi) Such other additional terms or provisions as may be required (including, without limitation, definitions of Settlement Disruption Event(s), Potential Adjustment Events and Market Disruption Events):

[]

[In respect of Equity Linked Notes:
As provided in the Equity Technical Annex]

[In respect of Credit Linked Notes:
As provided in the Credit Technical Annex]

PROVISIONS RELATING TO REDEMPTION

21. Issuer's optional redemption (other than for taxation reasons):

[Applicable/Not Applicable/As determined by the Calculation Agent as provided in the Equity Technical Annex/As determined by the Calculation Agent as

provided in the Equity Technical Annex and as described below]

[If not applicable or (in the case of Equity Linked Notes) applicable as provided in the Equity Technical Annex only, delete the remaining sub-paragraphs of this paragraph]

[If applicable in respect of Equity Linked Notes as provided in the Equity Technical Annex and for reasons other than taxation reasons, the following sub-paragraphs will appear and be detailed in the Schedule]

[If applicable in respect of Credit Linked Notes: Subject to the provision of notice in accordance with sub-paragraph (iv) below, the Issuer may redeem the Notes in whole, but not in part, on [any Business Day/other] from but excluding the Issue Date to but excluding the Scheduled Maturity Date]

(i) Optional Redemption Date(s): []

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):
[[] per Note of [] Specified Denomination/Calculation Amount/Market Value/specify other/see Schedule]

[NB: Calculation Amount is applicable to Definitive Bearer Notes only.]

(iii) If redeemable in part:

(a) Minimum Redemption Amount: []

(b) Maximum Redemption Amount: []

(iv) Notice period (if other than as set out in the Conditions): []

[If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent]

[In respect of Credit Linked Notes, if applicable: The Issuer shall give not less than [] Business Days' (as defined in Part 2 of the Credit Technical Annex) notice to the Noteholders in accordance with Condition 15 of the Terms and Conditions of the English Law Notes]

and the Uncertificated Notes and Condition 14 of the Terms and Conditions of the French Law Notes (which notice shall be irrevocable and shall specify the date fixed for redemption), provided, however that any such notice shall be deemed to be void and of no effect, if a Credit Event Notice has been, or is, delivered to Noteholders in accordance with the Conditions at any time on or prior to 5.00 p.m. (Paris time) on the fourth Business Day preceding the date fixed for redemption in accordance with this paragraph 21]

22. Redemption at the option of the Noteholders:

[Applicable/Not Applicable]

[If not applicable, delete the remaining sub-paragraphs of this paragraph]

[If applicable in respect of Equity Linked Notes, the following sub-paragraphs will appear and be detailed in the Schedule]

(i) Optional Redemption Date(s):

[]

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):

[[] per Note of [] Specified Denomination/Calculation Amount/Market Value/specify other/see Schedule]

[NB: Calculation Amount is applicable to Definitive Bearer Notes only]

(iii) Notice period (if other than as set out in the Conditions):

[]

[NB: If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent]

23. Final Redemption Amount:⁵

[[] per Note of [] Specified Denomination/Calculation Amount/specify other/see Schedule]

[NB: Calculation Amount is applicable to Definitive Bearer Notes only]

[In respect of Credit Linked Notes: 100 per cent. of the Nominal Amount of each Note then outstanding, subject to the provisions of Part 1 of the Credit Technical Annex]

⁵ See footnote (ii) above.

[If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply]

[if redemption index linked:

- (i) Index/Formula: *[In respect of Equity Linked Notes: See the Schedule]*
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount (if not the Fiscal Agent): *[Not Applicable/insert name and address]*
[In respect of Equity Linked Notes: As provided in Part 3.I of the Equity Technical Annex]
[In respect of Commodity Linked Notes: As provided in Part 2-A of the Commodities Technical Annex]
- (iii) Provisions for determining the redemption amount where calculation by reference to Index and/or Formula is impossible or impracticable: *[Give or annex details]*
[In respect of Equity Linked Notes: As provided in the Equity Technical Annex]

24. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 7(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 6(g) of the Terms and Conditions of the French Law Notes): *[[] per Note of [] Specified Denomination/Calculation Amount/Market Value/ specify other/see Schedule]*

[NB: Calculation Amount is applicable to Definitive Bearer Notes only]

25. **Credit Linked Notes provisions**

[Applicable/Not Applicable]

[If not applicable, delete the remaining sub-paragraphs of this paragraph]

- (i) Launch Date: *[]*
- (ii) Settlement Type: *[American/European]*
- (iii) Settlement Method: *[Cash Settlement/Physical Delivery]*
- (iv) Reference Entity(ies): *[Specify if Sovereign]*
- (v) Multiple Successor(s): *[Applicable/Not Applicable]*
- (vi) Reference Obligation(s): *Primary Obligor: []*

- Guarantor: []
- Maturity: []
- Coupon: []
- CUSIP/ISIN: []
- (vii) Calculation Agent responsible for calculating the redemption amount (if not the Calculation Agent specified in the Credit Technical Annex): [Not Applicable/Specify name and address]
- (viii) All Guarantees: [Applicable/Not Applicable]
- (ix) Credit Events:
- [Bankruptcy]
 - [Failure to Pay]
 - [Grace Period Extension: [Applicable/Not Applicable]]
 - [If Applicable:
 - Grace Period: [30 calendar days/Other]]
 - [Obligation Acceleration]
 - [Obligation Default]
 - [Repudiation/Moratorium]
 - [Restructuring]
 - Provisions relating to Multiple Holder Obligation: [Applicable/Not Applicable]]
 - Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable/Not Applicable]]
 - [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable/Not Applicable]]
 - Default Requirement: [USD 10,000,000 or its equivalent in the Obligation Currency/Other]
 - Payment Requirement: [USD 1,000,000 or its equivalent in the Obligation Currency/Other]
- (x) Notice of Publicly Available Information:
- [Applicable/Not Applicable]
 - [If Applicable:
 - Public Source(s): [As specified in the Credit Technical Annex/Other]]
 - Specified Number: [2/Other]]
- (xi) Obligation(s):
- Obligation Category:
- [Payment]
 - [Borrowed Money]
 - [Reference Obligations Only]
 - [Bond]
 - [Loan]
 - [Bond or Loan]
 - [select one only]
- Obligation Characteristics:
- [Not Subordinated]
 - [Specified Currency: [Standard Specified Currencies/specify currency]
 - [Not Domestic Currency:][Domestic Currency means: [specify currency]]
 - [Not Domestic Law]
 - [Listed]
 - [Not Domestic Issuance]

[select all of the above which apply]

(xii) Accrual of Interest upon Credit Event: [Applicable/Not Applicable]

(xiii) Terms relating to Settlement

[Deliverable/Selected] Obligation(s):

[Deliverable/Selected] Category:	Obligation	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan] <i>[select one only]</i>
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[Deliverable/Selected] Characteristics:	Obligation	[Not Subordinated] [Specified Currency: [Standard Specified Currencies/ <i>specify currency</i>] [Not Domestic Currency:][Domestic Currency means: <i>specify currency</i>]] [Not Domestic Law] [Listed] [Not Domestic Issuance] [Not Contingent] [Assignable Loan] [Consent Required Loan] [Transferable] [Maximum Maturity: 30 years/ <i>Other</i>] [Not Bearer] <i>[select all of the above which apply]</i>
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(xiv) First-to-Default: [Applicable/Not Applicable]

(xv) Such other additional terms or provisions as may be required: []

(xvi) Business Days (for the purposes of the Credit Technical Annex): []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes:

(i) Form: *[The following elections apply in respect of Bearer Notes:]*

[Temporary global Note exchangeable for a permanent global Note which is exchangeable for Definitive Bearer Notes only upon an Exchange Event]]

[Temporary global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]

[Permanent global Note exchangeable for Definitive Bearer Notes only upon an Exchange Event]

[Ensure that this is consistent with the wording in the "Form of the Notes" section in the Debt Issuance

Programme Prospectus and the Notes themselves. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000].”]

[Uncertificated Notes [issued, cleared and settled through APK/VPC/other in accordance with the Finnish Act on Book Entry System (826/1991), as amended (**APK Uncertificated Notes**)/Swedish Financial Instruments Accounts Act (SFS 1998:1479), as amended (**VPC Uncertificated Notes**)]/other]

[The following elections apply in respect of Registered Notes:]

[Regulation S Global Note (U.S.\$[] nominal amount) registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg] [Rule 144A Global Note (U.S.\$[] nominal amount) registered in the name of [a nominee for DTC] [a common depositary for Euroclear and Clearstream, Luxembourg] [Combined Global Note (U.S.\$[] nominal amount) registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg]

[The following elections apply in respect of French Law Notes:]

[Dematerialised Notes/Materialised Notes]
[Materialised Notes are only in bearer form and can only be issued outside France]

[The following elections apply in respect of Dematerialised Notes: [Bearer dematerialised form (au porteur) / [fully/administered] Registered dematerialised form (au nominatif [pur/administré])]

[The following information is required in respect of Dematerialised Notes: [Insert name of Registration Agent]

*[The following elections apply in respect of Materialised Notes: [Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [] (the **Exchange Date**), subject to postponement as provided in the Temporary Global Certificate]]*

(ii) New Global Note:

[Yes/No/Not Applicable]

27. “Payment Business Day” election in accordance with Condition [6(g) of the Terms

- and Conditions of the English Law Notes and the Uncertificated Notes /5(d) of the Terms and Conditions of the French Law Notes] or other special provisions relating to Payment Business Days:⁶
- [Following Payment Business Day/Modified Following Payment Business Day/other]
- [*Note that this item relates to the date of payment and not Interest Period end dates to which items 16(iii) and 18(vi) relate*]
28. Additional Financial Centre(s) for the purposes of Condition [6(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes/5(d) of the Terms and Conditions of the French Law Notes]:
- [Not Applicable/give details]
- [*In respect of Credit Linked Note with Physical Settlement: [] and solely for the purposes of physical settlement, if applicable, a day in any other jurisdiction in which a bank must be open in order to effect settlement of any Deliverable Obligations being Delivered*]
- [*Note that this item relates to the place of payment and not Interest Period end dates to which items 16(iii) and 18(vi) relate*]
29. Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes:
- Yes (if appropriate)
30. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay:
- [Not Applicable/give details]
- (i) Part Payment Date(s): []
- (ii) Part Payment Amount(s): []
31. Details relating to Instalment Notes:
- [Not Applicable/give details]
- [*If not applicable, delete the remaining sub-paragraphs of this paragraph*]
- (i) [Instalment Amount(s): []
- (ii) Instalment Date(s): []]
32. Redenomination applicable:
- Redenomination [not] applicable
- [*If Redenomination is applicable, specify the terms of the redenomination in an annex to the Final Terms*]
33. Clearing System Delivery Period (Condition 15 of the Terms and Conditions of the English Law Notes (*Notices*)):
- Four Day Delivery/Same Day Delivery/specify other
34. *Masse* (Condition 13 of the Terms and Conditions of the French Law Notes):
- [Applicable/Not Applicable [*Masse will not be applicable to Notes other than French Law Notes*]

⁶ Amend "Payment Business Day" definition if payment is to be made on 25 December as Euroclear and Clearstream, Luxembourg do not settle payments on such day.

35. Swiss Paying Agent(s): [Applicable (as specified in the applicable Swiss Paying Agency Agreement)/insert name(s) and address(es) if there is to be (i) a Principal Swiss Paying Agent other than Société Générale, Zurich Branch or (ii) one or more additional Swiss Paying Agents/Not Applicable]
36. Portfolio Manager: [Not Applicable / insert name]
37. Other final terms: [Not Applicable/give details/As specified in the Schedule]
- [Tax Regime for Notes which do not constitute obligations: []]
- [When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a Supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive]
38. Governing law: The Notes (and, if applicable, the Receipts and the Coupons) are governed by, and shall be construed in accordance with, [English / French / Swedish / Finnish / other] law [N.B. If the Notes are Subordinated Notes governed by the laws of a jurisdiction other than France, insert the following:] [, other than Condition [2(b) which is governed by, and shall be construed in accordance with, French law]

DISTRIBUTION

39. (i) If syndicated, names [and addresses and underwriting commitments]** of Managers: [Not Applicable/give names [and addresses and underwriting commitments]** of Managers]
- [Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment on a “best efforts” basis if such entities are not the same as the Managers.]**
- (ii) [Date of Syndication Agreement:**] [Not Applicable/give date]**
- (iii) Stabilising Manager (if any): [Not Applicable/give name]
40. If non-syndicated, name [and address]** of relevant Dealer: [Give name [and address]**]
41. Total commission and concession:** [[] per cent. of the Aggregate Nominal Amount][There is no commission and/or concession paid by the Issuer to the Dealer or the Managers]**

42. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/Not Applicable]
[Not Applicable to Dematerialised Notes]
43. Additional selling restrictions: [Not Applicable/give details][Section 3(c)(7) to be included in respect of any Notes distributed in the United States or to, or for the account or benefit of, U.S. persons.][Additional selling restrictions may be required in the case of Index Linked Notes, Commodity Linked Notes and Dual Currency Notes distributed in the United States or to, or for the account or benefit of, U.S. persons.]
[In the case of a public offer, consider disapplying the selling restrictions applicable to the jurisdiction(s) where the public offer is to be made (see “Selling Restrictions: European Economic Area”).]
44. Additional U.S. Tax Disclosure [Not Applicable/give details]
[Depending on the type of notes issued and their terms, additional U.S. tax disclosure may be required].

LISTING AND ADMISSION TO TRADING APPLICATION

The above Final Terms comprise the final terms required to be admitted to the official list and traded on the [regulated market of the Luxembourg Stock Exchange] this issue of Notes by [Société Générale/SGA Société Générale Acceptance N.V./SG Option Europe] pursuant to its €100,000,000,000 Euro Medium Term Note Programme for which purpose they are hereby submitted.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[] has been extracted from []. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made for the Notes to be admitted to the official list of the Luxembourg Stock Exchange /other (*specify*)/None]
- [If other than “None” in respect of Equity Linked Notes, this will be restated in the Schedule]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [the Issue Date/other].] [Not Applicable. [*Specify “Not Applicable” either in the case of a listing on a non EU regulated market or where no listing is to occur*]]
- [Where documenting a fungible issue need to indicate that original securities are already admitted to trading.]*
- [(iii) Estimate of total expenses related to admission to trading:] []*

2. RATINGS

- Ratings: [The Notes to be issued have not been rated]/[The Notes to be issued have been rated:
- [Standard & Poor's Ratings Services, a division of the McGraw Hill Companies Inc.: []]
- [Moody's Investors Service Limited: []]
- [Fitch Ratings Ltd.: []]
- [Other]: []]
- [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*
- [The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]

3. NOTIFICATION [AND AUTHORISATION]**

The *Commission de surveillance du secteur financier* [has been requested to provide/has provided] the [names of competent authorities of host Member States] with a certificate of approval attesting that the Debt Issuance Programme Prospectus has been drawn up in accordance with the Prospectus Directive.

[The Issuer [and the Guarantor] has [have] authorised the use of these Final Terms and the Debt Issuance Programme Prospectus dated 2 May 2007 by the Dealer/Managers and [include names [and addresses] of other financial intermediaries involved in the offer] (the **Distributors** and, together with the

Dealer/Managers, the **Financial Intermediaries**) in connection with offers of the Notes to the public in [Luxembourg and/or jurisdictions into which it has been passported] for the period set out in paragraph 12 below.])**

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Manager(s)/Dealer], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.]

[Amend as appropriate if there are other interests]

5. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer: []]

*[See “Use of Proceeds” wording in Debt Issuance Programme Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.]***

[(ii) Estimated net proceeds: []]

*[If the proceeds are intended for more than one purpose, those purposes should be disclosed in order of priority. If the proceeds will be insufficient to fund all disclosed purposes, state the amount and sources of other funding.])***

[(iii) Estimated total expenses: [] *[Expenses must be broken down into each principal intended “use” and presented in order of priority of such “uses”.]***

[NB: If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required regardless of denomination.]

6. **YIELD (Fixed Rate Notes only)**

Indication of yield: [Not Applicable/Applicable] *[give details]*

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]***

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

[In the case of Equity Linked Notes in respect of which a fixed rate of interest is paid during all or part of the term of the Notes and either or both of interest and/or the redemption amount is/are indexed insert: Since the Notes are linked to the performance of certain Underlying(s), the yield cannot be foreseen.

7. **HISTORIC INTEREST RATES** (*Floating Rate Notes only*)**

[Not Applicable/Applicable]

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Telerate].

8. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING** (*Index Linked Notes only*)

[Not Applicable/Applicable]

[Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.]

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]***

[NB: To the extent not covered by the Technical Annex, need to consider including, pursuant to Annex XII of the Prospectus Directive Regulation, in the Final Terms Part A or in a schedule thereto a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable).]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

[Where the underlying is a security need to include the name of the issuer of the security and the International Securities Identification Number (ISIN) or equivalent identification number. Where the underlying is a basket of underlyings, need to include the relevant weightings of each underlying in the basket.]

9. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*)

[Not Applicable/Applicable]

[Need to include details of where performance and volatility from time to time of the relevant rates can be obtained]

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances in which the risks are most evident.]***

10. **OPERATIONAL INFORMATION**

(i) ISIN Code: []⁺

(ii) Common Code: []⁺

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme* or Euroclear France and the relevant identification number(s):

[Not Applicable/give name(s) and number(s)/Swedish Central Securities Depository & Clearing Organisation]

⁺ This code must be marked as "restricted" for Securities Act purposes in the case of Combined Global Notes.

(VPC) identification number: 556112-8074 / Finnish Central Securities Depository Ltd. (APK) identification number: 1061446-0 [The Issuer shall be entitled to obtain information from the registers maintained by [VPC/APK] for the purposes of performing its obligations under the Notes]/other]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of Additional Paying Agent(s) (if any): []

(vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[Include the foregoing text if “yes” selected in which case the Notes must be issued in NGN form.]*

11. **Address and contact details of Société Générale for all administrative communications relating to the Notes:**

Telephone: []
Telex: []
Facsimile: []
Attention: []

12. ****[PUBLIC OFFERS]**

- Offer Period: ● to ●.

[This period should be from the date of publication of the Final Terms to a specified date (or a formulation such as “the Issue Date” or “the date which falls [●] Business Days thereafter”).]

- Offer Price: [The Issuer has offered the Notes to the Dealer/Managers at the initial issue price of ● less a total commission of ●.

[or where the price is not determined at the date of the Final Terms]

The issue price of the Notes will be determined by the Issuer and the [Dealer/Managers] on or about [] in accordance with market conditions then prevailing, including [supply and demand for the Notes and other similar securities] [and] [the then current market price of [insert relevant benchmark security, if any].]

- Conditions to which the offer is subject:	[Offers of the Notes are conditional on their issue [and on any additional conditions set out in the standard terms of business of the Financial Intermediaries, notified to investors by such relevant Financial Intermediaries]]
[- Description of the application process:	<i>N/A unless full application process is being followed in relation to the issue]</i>
[- Details of the minimum and/or maximum amount of application:	<i>N/A unless full application process is being followed in relation to the issue]</i>
[- Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	<i>N/A unless full application process is being followed in relation to the issue]</i>
- Details of the method and time limits for paying up and delivering 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 Financial Intermediary of their allocations of Notes and the settlement arrangements in respect thereof.]
[- Manner and date in which results of the offer are to be made public:	<i>N/A unless the issue is an “up to” issue when disclosure must be included]</i>
[- Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	<i>N/A unless full application process is being followed in relation to the issue]</i>
- Categories of potential investors to which the Notes are offered:	[Offers may be made by the Financial Intermediaries [in Luxembourg and jurisdictions into which the Debt Issuance Programme Prospectus has been passported] to any person. In other EEA countries, offers will only be made by the Financial Intermediaries pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.]
[- Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	<i>[Process for notification – N/A unless full application process is being followed in relation to the issue.]</i> No dealings in the Notes on a regulated market for the purposes of the Investment Services Directive 93/22/EC may take place prior to the Issue Date.]
[- Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[]

Post-issuance information: The Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities.

Notes:

* Delete if the minimum denomination is less than €50,000

** Delete if the minimum denomination is €50,000

SCHEDULE FOR EQUITY LINKED NOTES

(If applicable, this Schedule forms part of Part A of the Final Terms to which it is attached (save for paragraph 1(i) and the section headed “Underlyings” which each form part of Part B of the Final Terms to which it is attached))

Part 1:

- | | | | |
|-------------------|--------|---|---|
| 1. | [(i)] | Issuer: | [SGA Société Générale Acceptance N.V.] [Société Générale] [SG Option Europe] |
| | [(ii)] | Guarantor: | Société Générale] |
| 3. | | Specified Currency or Currencies | [] |
| 4. | | Aggregate Nominal Amount | |
| | (i) | [Tranche: | []] |
| | (ii) | [Series: | []] |
| 5. | | Issue Price | [] |
| 6. | | Specified Denomination(s) | [] |
| 7. | | Issue Date | [] |
| 8. | | Maturity Date | [] |
| 1.(i)
(Part B) | | Listing | [] |
| 15. | | Fixed Rate Note Provisions | [Applicable/Not Applicable] <i>[If not applicable, delete the remaining sub-paragraphs of this paragraph]</i> |
| | (ii) | [Interest Payment Date(s): | [] |
| | (iii) | Fixed Coupon Amount(s): | []] per Specified Denomination/Calculation Amount |
| | | | <i>[NB: Calculation Amount is applicable to Definitive Bearer Notes only]</i> |
| 16. | | [Floating Rate Note Provisions | Applicable ⁷ |
| | | (i) Specified Period(s) / Interest Payment Date(s): | |
| | | (ii) Business Day Convention: | |

⁷ If specified as "Not Applicable" in paragraph 16 of Part A of the Final Terms, delete this paragraph.

(iii) Additional Business Centre(s) and/or Applicable “Business Day” definition (if different from that in Condition 5(b)(i) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes or 4(b)(i) of the Terms and Conditions of the French Law Notes):

(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:

(vi) Screen Rate Determination:

- Reference Rate:

- Interest Determination Date(s):

- Specified Time:

- Relevant Screen Page:

(xi) Day Count Fraction:]

- | | | |
|-----|---|---|
| 17. | [Zero Coupon Note Provisions | Applicable ⁸ |
| | (i) Accrual Yield: | [] per cent. per annum |
| | (ii) Reference Price: | [] |
| | (iii) Any other formula/basis of determining amount payable: | [] |
| | | <i>[Consider applicable day count fraction if euro denominated]]</i> |
| | (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: | [Conditions 7(g) and 7(l) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes and 6(g) and 6(l) of the Terms and Conditions of the French Law Notes apply/specify other]] |
| 18. | Index Linked Interest Note Provisions | [Applicable/Not Applicable] <i>[If not applicable, delete the remaining sub-paragraphs of this paragraph]</i> |
| | (i) [Index/Formula: | []] |
| 20. | [Physical Delivery Note Provisions | Applicable ⁹ |

⁸ If specified as "Not Applicable" in paragraph 17 of Part A of the Final Terms, delete this paragraph.

⁹ If specified as "Not Applicable" in paragraph 20 of Part A of the Final Terms, delete this paragraph.

(ix) [Credit] [Valuation Date(s):]

21. **[Issuer's optional redemption (other than for taxation reasons)]**

Applicable¹⁰

(i) Optional Redemption Date(s): []

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[] per Specified Denomination/Calculation Amount/Market Value/specify other/See Schedule]

[NB: Calculation Amount is applicable to Definitive Bearer Notes only]

(iii) If redeemable in part: []

(a) Minimum Redemption Amount: []

(b) Maximum Redemption Amount: []

(iv) Notice period (if other than as set out in the Conditions): []

[If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent]

22. **[Redemption at the option of the Noteholders]**

Applicable¹¹

(i) Optional Redemption Date(s): []

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[] per Specified Denomination/Calculation Amount/Market Value/specify other/See Schedule]

[NB: Calculation Amount is applicable to Definitive Bearer Notes only]

¹⁰ If specified as "Not Applicable" in paragraph 21 of Part A of the Final Terms, delete this paragraph.

¹¹ If specified as "Not Applicable" in paragraph 22 of Part A of the Final Terms, delete this paragraph.

- (iii) Notice period (if other than as set out in the Conditions): []

[If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent]

23. **Final Redemption Amount** [At par/Index Linked/other]

[If Index Linked or other, the following subparagraph will appear and be detailed below]

- (i) Index/Formula: []

37. **Other final terms** [Applicable/Not Applicable]

Part 2:

Terms used in the Formulae above are described in this Part 2.

Underlyings

[] has been extracted from []. Each of the Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced inaccurate or misleading.]

**TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES
AND THE UNCERTIFICATED NOTES**

The following, together with the Technical Annex (if applicable), are the Terms and Conditions of the Notes to be issued under English law, which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Purchaser(s) at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed upon or attached thereto such Terms and Conditions. The following Terms and Conditions, together with the Technical Annex (if applicable), will, if the context so permits, apply to Uncertificated Notes. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes (including, for the avoidance of doubt, Uncertificated Notes). The applicable Final Terms (or the relevant provisions thereof) will be endorsed on, attached to or incorporated by reference in, each temporary global Note, permanent global Note and definitive Note and shall be deemed to apply to Uncertificated Notes. Reference should be made to “Form of the Notes” above for a description of the content of Final Terms which will specify which of such terms is to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued with the benefit of the Agency Agreement (defined below). References herein to the **Issuer** shall be references to the party specified as such in the applicable Final Terms (as defined below) and, in the case of any substitution of the Issuer in accordance with Condition 14, the **Substituted Debtor** as defined in Condition 14. References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Note(s) represented by a global Note, units of each Specified Denomination in the Specified Currency of issue;
- (ii) definitive Notes in bearer form (**Definitive Bearer Notes**) issued in exchange for a global Note;
- (iii) any global Note in bearer or registered form (**Bearer Global Note(s)** and **Registered Global Note(s)**, respectively, and each a **global Note**);
- (iv) any Uncertificated Note(s) (as defined below); and
- (v) any definitive Notes in registered form (**Definitive Registered Notes**) (whether or not issued in exchange for a Registered Global Note).

The Notes, the Receipts and the Coupons (each as defined below) have the benefit of an amended and restated agency agreement dated 2 May 2007 (the **Agency Agreement**, which expression includes the same as it may be updated or supplemented from time to time) and made between, *inter alios*, the Issuer, the Guarantor (as defined below), Société Générale Bank & Trust as fiscal agent and, if so specified in the applicable Final Terms, as calculation agent (the **Fiscal Agent** and the **Calculation Agent** respectively, which expression shall include any additional or successor agent or any other calculation agent specified in the applicable Final Terms), Société Générale Bank & Trust as registrar, transfer agent and exchange agent (respectively, the **Registrar**, the **Transfer Agent** and the **Exchange Agent**, which expressions shall include any additional or successor registrar or agent or any other transfer agent or exchange agent appointed from time to time)) and the other paying agents named therein (together with the Fiscal Agent and the Registrar, the **Paying Agents**, which expression shall include any additional or successor paying agents).

In connection with Uncertificated Notes, unless the context otherwise requires and except insofar as the terms defined in the Agency Agreement are incorporated by reference herein, any reference herein to the Agency Agreement will be construed, *mutatis mutandis*, as a reference to the agency agreement(s) entered into

with respect to such Uncertificated Notes (and references herein to the Fiscal Agent, the Paying Agent(s) or the Calculation Agent shall be construed accordingly).

Any issue of SIS Notes (as defined below) will have the benefit of a Swiss paying agency agreement (the **Swiss Paying Agency Agreement**, which expression shall be construed as a reference to any such agreement as the same may be amended, supplemented or restated from time to time) between the Issuer, the Guarantor, the Paying Agents (except the Registrar), the Principal Swiss Paying Agent and the other Swiss Paying Agents (if any) (the **Principal Swiss Paying Agent** and the **Swiss Paying Agents**, respectively). The form of the Swiss Paying Agency Agreement is annexed to the Agency Agreement.

Interest bearing Definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference herein to “Coupons” or “coupons” shall, unless the context otherwise requires, be deemed to include a reference to “Talons” or “talons”. Definitive Bearer Notes repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue.

Any reference herein to **Noteholders** or **holders** in relation to any Notes shall mean, in the case of Bearer Notes, the holders of the Notes and, in the case of Registered Notes, the persons in whose name the Notes are registered, and shall, in relation to any Notes represented by a global Note, and, in relation to Uncertificated Notes, be construed, in each case, as provided below. Any reference herein to **Receiptholders** shall mean the holders of the Receipts, and any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

The Issuer may issue Notes in uncertificated and dematerialised book-entry form (**Uncertificated Notes**). The holder of an Uncertificated Note will be the person appearing in the relevant register in accordance with the legislation, rules and regulations applicable to, and/or issued by, the relevant securities depository and clearing institution and the term “Noteholder” shall be construed accordingly. Uncertificated Notes will only be transferable in accordance with such legislation, rules and regulations.

Any references in these Terms and Conditions to “Coupons”, “Talons” or “Receipts” shall not apply to Uncertificated Notes or to Registered Notes.

Any reference herein to “Euroclear” and/or “Clearstream, Luxembourg” (each term as defined below) shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms (including, without limitation, Euroclear France and the *Intermédiaires financiers habilités* authorised to maintain accounts therein (together **Euroclear France**), SIS SEGAINTERSETTLE AG, The Swiss Securities Services Corporation (**SIS**) or any other clearing institution acceptable to the SWX Swiss Exchange (the **SWX**) and, in relation to Uncertificated Notes, the relevant securities depository and clearing institution, including, without limitation, the Swedish Central Securities Depository & Clearing Organisation, VPC AB (**VPC**), the Finnish Central Securities Depository Ltd. (**APK**) and, in relation to Registered Notes represented by a Rule 144A Global Note, the Depositary Trust Company (**DTC**)), approved by the Issuer, the Guarantor, the Fiscal Agent, the Registrar (in the case of Registered Notes only) and, in the case of Notes listed on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange.

Any references in these Terms and Conditions to **VPC Uncertificated Notes** shall be references to Uncertificated Notes settled through VPC and any references to **APK Uncertificated Notes** shall be references to Uncertificated Notes settled through APK.

The final terms for this Note (or other relevant provisions thereof) are set out in Part A of the Final Terms that are endorsed on, attached to, incorporated by reference in or, in the case of Uncertificated Notes, prepared in connection with, this Note and which supplement these terms and conditions (the **Terms and Conditions** or the **Conditions**). If this is an Uncertificated Note, the applicable Final Terms shall be deemed to apply to this Note. The applicable Final Terms (or other relevant provisions thereof) supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the

extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note (including, for the avoidance of doubt, any Uncertificated Note). References herein to the **applicable Final Terms** are to Part A of the Final Terms (or other relevant provisions thereof) and, if applicable, any schedules to the Final Terms, which Final Terms are endorsed on, attached to, incorporated by reference in, or, in the case of Uncertificated Notes, prepared in connection with and deemed applicable to, this Note.

As used herein, **Tranche** means Notes which are identical in all respects and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement, the Swiss Paying Agency Agreement (where applicable), the Guarantee, a portfolio management deed dated 2 May 2007 and made by SGAM Alternative Investments and Société Générale Asset Management Banque (the **Portfolio Management Deed**), a deed poll dated 2 May 2007 and made by the Issuer and the Guarantor (the **Deed Poll**) and the Deed of Covenant (defined below) are available for inspection during normal business hours at the specified office of each of the Paying Agents. Copies of the applicable Final Terms are available for viewing at www.bourse.lu and copies may be obtained from the head office of the relevant Issuer and the specified offices of the Paying Agents (including the Principal Swiss Paying Agent) save that, if this Note is a Private Placement Note (as defined below), the applicable Final Terms will only be obtainable by a Noteholder holding one or more such Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer or Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Swiss Paying Agency Agreement (where applicable), the Portfolio Management Deed (where applicable), the Guarantee (where applicable), the Deed Poll (where applicable), the Deed of Covenant and the applicable Final Terms. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and, if applicable, the Swiss Paying Agency Agreement. In this paragraph, **Private Placement Note** means any Note that is not (i) offered to the public in the EEA for the purposes of Article 3.1 of Directive 2003/71/EC (the **Prospectus Directive**) (except as specified under Article 3.2 of the Prospectus Directive) or (ii) admitted to trading in the EEA for the purposes of Article 3.3 of the Prospectus Directive.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In relation to Notes held on behalf of Euroclear and/or Clearstream, Luxembourg, the Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the deed of covenant (the **Deed of Covenant**) dated 2 May 2007 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear and Clearstream, Luxembourg.

In these Terms and Conditions, the **Guarantor** shall mean Société Générale in its capacity as guarantor pursuant to the Guarantee (as defined in Condition 3(d)) in respect of any Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe. Accordingly, references herein to the Guarantor are applicable only in the context of such Notes.

1. Form, Denomination and Title

The Notes, except for Uncertificated Notes and Notes in registered form (**Registered Notes**), are in bearer form (**Bearer Notes**), and, in the case of Definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Uncertificated Notes are in uncertificated and dematerialised book-entry form. No global or definitive Notes will be issued in respect of Uncertificated Notes and these Terms and Conditions shall be construed accordingly. Uncertificated Notes will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, the relevant central securities depository and clearing institution. Title to Uncertificated Notes will pass by registration in the register that the Issuer will procure to be kept by a central securities depository and clearing institution on behalf of the Issuer. Where a nominee is so evidenced it shall be treated as the holder of the relevant Uncertificated Notes.

A Note which is, or is intended to be, deposited with SIS and cleared through SIS (an **SIS Note**), must fulfil the following criteria in order to be exempt from certification under U.S. Treasury regulations:

- (a) interest on, and the principal of, the SIS Notes are denominated only in Swiss Francs;
- (b) interest on, and the principal of, the SIS Notes are payable only in Switzerland;
- (c) the SIS Notes are offered and sold in accordance with Swiss customary practice and documentation;
- (d) the relevant Dealers agree to use reasonable efforts to sell the SIS Notes within Switzerland;
- (e) the SIS Notes are not listed, or subject to an application for listing, on an exchange located outside Switzerland;
- (f) the issuance of the SIS Notes is subject to guidelines or restrictions imposed by Swiss governmental, banking or securities authorities; and
- (g) more than 80 per cent. by value of the SIS Notes included in the offering of which they are part are offered and sold to non-Dealers by Dealers maintaining an office located in Switzerland.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Note (being either or both an Index Linked Interest Note or an Index Linked Redemption Note), a Fixed/Floating Rate Note, a Physical Delivery Note, a Dual Currency Note or a Partly Paid Note or a combination of any of the foregoing, depending upon the Interest/Payment/Redemption Basis shown in the applicable Final Terms, or such other type of Note as indicated in the applicable Final Terms. Notes issued by Société Générale are also either Subordinated Notes or Unsubordinated Notes as indicated in the applicable Final Terms. All Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will be described as “Unsubordinated” in the Final Terms applicable to such Notes.

Any reference herein to **Physical Delivery Notes** shall mean Notes in respect of which an amount of principal and/or interest is payable and/or (by reference to an underlying equity, bond, other security or such other asset as may be specified in the applicable Final Terms (the **Underlying Asset(s)**)) a Physical Delivery Amount (being one or more Underlying Assets plus/minus any amount due to/from the Noteholder in respect of each Note) is deliverable and/or payable, in each case by reference to one or more Underlying Assets as the relevant Issuer and the relevant Purchaser(s) may agree and as indicated in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

In the case of SIS Notes, no printing of definitive Notes, Receipts or Coupons will occur (except as provided herein). SIS Noteholders, therefore, do not have the right to request the printing and delivery of individual definitive Notes, Receipts or Coupons. If the relevant lead manager (in the case of any SIS Notes which are listed on the SWX) or the Principal Swiss Paying Agent (in the case SIS Notes not listed as aforesaid) deems the printing of definitive Notes, Receipts or Coupons to be necessary or useful, or if the presentation of definitive Notes, Receipts or Coupons is required by Swiss or foreign laws in connection with enforcement of

rights (including in cases of bankruptcy, consolidation or reorganisation of the Issuer), the relevant lead manager (in the case of any SIS Notes which are listed on the SWX) or otherwise the Principal Swiss Paying Agent will undertake to provide for the printing of such definitive Notes, Receipts and Coupons at the expense of the Issuer and without cost to the relevant Noteholders. The Issuer will irrevocably authorise the relevant lead manager (in the case of any SIS Notes which are listed on the SWX) or otherwise the Principal Swiss Paying Agent to provide for such printing on its behalf. In the case of SIS Notes, until such time as definitive Notes, Receipts and Coupons have been issued (if any), the expressions “Notes”, “Receipts” and “Coupons” shall mean and include co-ownership under the permanent global Note and the expressions “Noteholder”, “Receiptholder” and “Couponholder” shall mean and include any person entitled to co-ownership and further benefit under the permanent global Note.

Subject as set out below, title to Bearer Notes, Receipts and Coupons will pass by delivery. Subject as set out below, the Issuer, the Guarantor and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Bearer Notes (other than SIS Notes) or the Registered Notes is represented by a global Note held on behalf of, or in the case of Registered Notes, by a common depositary on behalf of, Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and any Paying Agent as the holder of such nominal amount of the Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant global Note or, as applicable, the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly).

For so long as The Depositary Trust Company (**DTC**) or its nominee is the registered owner or holder of a Rule 144A Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants (and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly).

Notes which are represented by a global Note held on behalf of Euroclear, Clearstream, Luxembourg or DTC will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg or DTC, as the case may be. In the case of SIS Notes, each Noteholder retains co-ownership in the permanent global Note to the extent of his claim against the Issuer. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. Transfers of Registered Notes

(a) *Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and

regulatory restrictions, be exchangeable for Definitive Registered Notes or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

(b) *Transfers of Definitive Registered Notes*

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Definitive Registered Note for registration of the transfer of the Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial regulations being set out in Schedule 11 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Definitive Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) *Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) *Costs of registration*

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) *Transfers of interests in Regulation S Global Notes*

Transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a **Transfer Certificate**), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person that is a QP whom the transferor reasonably believes is also a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Such transferee may take delivery through a Legended Note in global or definitive form.

(f) *Transfers of interests in Legended Notes*

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person that is a QP whom the transferor reasonably believes is also a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (iii) to a transferee who takes delivery of such interest through Notes represented by a Combined Global Note, from a holder of Notes represented by that Combined Global Note:
 - (A) within the Distribution Compliance Period only, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made either (x) to a person that is a QP whom the transferor reasonably believes is also a QIB in a transaction meeting the requirements of Rule 144A or (y) to a non-U.S. person in an offshore transaction pursuant to Regulation S; and
 - (B) after the expiry of the Distribution Compliance Period, either (x) to a person that is a QP whom the transferor reasonably believes is also a QIB in a transaction meeting the requirements of Rule 144A or (y) to a non-U.S. person in an offshore transaction pursuant to Regulation S but, in either case, without certification;
- (iv) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with the Investment Company Act and any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction. Additional certifications may be required as set out in the applicable Final Terms.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Investment Company Act and the Securities Act.

(g) *Exchanges and transfers of Registered Notes generally*

Holders of Definitive Registered Notes may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(h) *Definitions*

In this Condition, the following expressions shall have the following meanings:

Combined Global Note means a Registered Global Note representing Notes eligible for sale in the United States to QIBs that are also QPs pursuant to Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S;

Distribution Compliance Period means the period that ends 40 days after the completion of the distribution of the relevant Notes as determined by the relevant lead manager;

Investment Company Act means the United States Investment Company Act of 1940, as amended;

Legended Note means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to persons that are both QIBs and QPs in accordance with the requirements of Rule 144A;

QIB means a “qualified institutional buyer” within the meaning of Rule 144A;

QP means a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder;

Regulation S means Regulation S under the Securities Act;

Regulation S Global Note means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

Rule 144A means Rule 144A under the Securities Act;

Rule 144A Global Note means a Registered Global Note representing Notes sold in the United States or to QIBs that are also QPs; and

Securities Act means the United States Securities Act of 1933, as amended.

3. Status of the Notes and Guarantee

(a) *In the case of Unsubordinated Notes issued by Société Générale*

Unsubordinated Notes issued by Société Générale are direct, unconditional and (subject to Condition 4) unsecured and unsubordinated obligations of the Issuer and (subject as aforesaid) rank *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer (except any such obligations as are preferred by law) and *pari passu* and rateably without any preference or priority among themselves.

(b) *In the case of Subordinated Notes issued by Société Générale*

(i) *General*

Subordinated Notes (which term shall include both Subordinated Notes (as described in this Condition 3(b)(i)) with a specified maturity date (**Dated Subordinated Notes**) as well as Subordinated Notes (as described in this Condition 3(b)(i)) without a specified maturity date (**Undated Subordinated Notes**)) issued by Société Générale, will be direct, unconditional, unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer with the exception of the *prêts participatifs* granted to the Issuer and the *titres participatifs* issued by the Issuer. If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of Subordinated Notes issued by Société Générale shall be subordinated to the payment in full of unsubordinated creditors (including depositors) and, subject to

such payment in full, the holders of such Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer and any *titres participatifs* issued by it. In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with Subordinated Notes issued by Société Générale will be terminated. The holders of such Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

(ii) *In the case of Dated Subordinated Notes issued by Société Générale*

Unless otherwise specified in the applicable Final Terms, in the case of Dated Subordinated Notes issued by Société Générale, payments of interest constitute obligations which rank equally with the obligations of Société Générale in respect of Unsubordinated Notes issued by Société Générale in accordance with Condition 3(a).

(iii) *In the case of Undated Subordinated Notes issued by Société Générale*

In the case of Undated Subordinated Notes issued by Société Générale, the payment of interest may be deferred in accordance with the provisions of Condition 5(g) of the Terms and Conditions of the relevant Notes.

The proceeds of issues of Undated Subordinated Notes issued by Société Générale may be used for off-setting losses of Société Générale and, thereafter, to allow it to continue its activities in accordance with French banking regulations. The proceeds of such issues will be classed amongst the funds of Société Générale in accordance with Article 4(c) of *Règlement* No. 90-02 of the *Réglementation bancaire et financière*. This provision does not in any way affect any French law applicable to accounting principles relating to allocation of losses nor the duties of shareholders and does not in any way affect the rights of the Noteholders and (if applicable), Receiptholders or Couponholders to receive payments of principal and interest under the Notes and (if applicable), Receipts or Coupons in accordance with these Terms and Conditions.

(c) *In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe*

Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe are direct, unconditional and (subject to Condition 4) unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves and (subject to such exceptions as from time to time exist under applicable law) at least *pari passu* with all other outstanding direct, unconditional, unsecured and unsubordinated obligations of the Issuer, present and future.

(d) *Guarantee in the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe*

The due and punctual payment of any amounts due by the Issuer in respect of the Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe and, where applicable, the payment and/or delivery of any Physical Delivery Amount by the Issuer in respect of such Unsubordinated Notes is unconditionally and irrevocably guaranteed by the Guarantor as provided in the deed of guarantee dated 2 May 2007 (the **Guarantee**). The Guarantee constitutes a direct, unconditional, unsecured and general obligation of the Guarantor and ranks and will rank *pari passu* with all other existing and future direct, unconditional, unsecured and general obligations of the Guarantor, including those in respect of deposits, but excluding any debts for the time being preferred by law and senior to any subordinated obligations. In the event of any default by SGA Société Générale Acceptance N.V. or SG Option Europe in (i) the due and punctual payment of all or any part of any of the above-mentioned amounts or (ii) the payment and/or delivery of any Physical Delivery Amount by the Issuer, the Guarantor will make such payment or, where applicable, the payment and/or delivery of such Physical Delivery Amount on demand and as if such payment or payment and/or delivery of such Physical Delivery Amount, as the case may be, were made by the Issuer.

4. Negative Pledges

(a) Negative Pledge in the case of Unsubordinated Notes issued by, or Notes guaranteed by, Société Générale

So long as any Notes issued by, or guaranteed by, Société Générale, or any Receipts or Coupons relating thereto, remain outstanding, Société Générale will not create or permit to exist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues to secure any loan or other indebtedness in the form of, or represented by, negotiable securities such as bonds, notes or debentures (*obligations*), certificates of deposit, cash certificates (including without limitation *bons de caisse*), or other negotiable securities issued before, on or after the Issue Date of the first Tranche of such Notes or any guarantee in respect thereof unless such Notes and any relevant Receipts or Coupons shall forthwith be secured equally and rateably therewith. This Condition 3.2(a) does not apply in respect of Subordinated Notes issued by Société Générale.

For the purposes of this Condition 4(a):

Security Interest means any mortgage, charge, pledge, lien (other than a lien arising solely by operation of law in the ordinary course of business) or other encumbrance; and

Permitted Security Interest means any Security Interest created or outstanding upon any property or assets (including current and/or future revenues, accounts, receivables and other payments) of Société Générale arising out of any securitisation or other similar structured finance transaction involving such property or assets where the primary source of payment of any obligations secured by such property or assets is the proceeds of such property or assets (or where the payment of such obligations is otherwise supported by such property or assets) and where recourse to Société Générale in respect of such obligations does not extend to defaults by the obligors in relation to such property or assets.

*For the avoidance of doubt, it is confirmed that Notes issued prior to 2 May 2007 under an earlier version of the Programme shall continue to benefit from the negative pledge set out in the Terms and Conditions relating to such Notes.**

(b) Negative Pledge in the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe

So long as any Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe, as applicable, or any Receipts or Coupons relating thereto, remain outstanding, the relevant Issuer will not secure or allow to be secured any loan, debt or other obligation in respect of borrowed moneys (including an obligation under a guarantee) by any lien, mortgage, pledge or other charge upon any of its present or future assets or revenues (other than fixed assets or revenues therefrom) without at the same time equally and rateably securing such Notes and any Receipts or Coupons by such lien, mortgage, pledge or charge or equivalent security therefor.

5. Interest

(a) Interest on Fixed Rate Notes

Unless otherwise specified in the applicable Final Terms, each Fixed Rate Note bears interest from (and including or, in respect of VPC Uncertificated Notes, but excluding) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

* This italicised statement does not form part of the Terms and Conditions of the Notes.

Unless otherwise specified in the applicable Final Terms, if the Notes are Definitive Bearer Notes, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes which are Definitive Bearer Notes where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are Uncertificated Notes or Notes represented by a global Note, the aggregate outstanding nominal amount of the Notes of the relevant Series (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (b) in the case of Fixed Rate Notes which are Definitive Bearer Notes or Definitive Registered Notes, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit (defined below) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms. Where the Specified Denomination of a Fixed Rate Note which is a Definitive Bearer Note or a Definitive Registered Note comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

- (b) *Interest on Floating Rate Notes and Index Linked Interest Notes*
- (i) *Interest Payment Dates*

Unless otherwise specified in the applicable Final Terms, each Floating Rate Note, Index Linked Interest Note and other Note in respect of which the relevant interest is not determined pursuant to a fixed Rate of Interest (together, the **Variable Rate Notes**) bears interest from (and including or, in respect of VPC Uncertificated Notes, but excluding) the Interest Commencement Date specified in the applicable Final Terms, and such interest will be payable in respect of each Interest Period and in arrear on either:

- (A) the Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Interest Payment Date specified in the applicable Final Terms an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the **Floating Rate Convention**, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be

the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (B) the **Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (C) the **Modified Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (D) the **Preceding Business Day Convention**, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Business Day Convention is to be applied on an **unadjusted** basis, the Interest Amount payable on any date shall not be affected by the application of such Business Day Convention.

In this Condition 5, **Business Day** means (unless otherwise stated in the applicable Final Terms) a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each Additional Business Centre(s) specified in the applicable Final Terms; and
- (B) either (x) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre(s) of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars, shall be Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal) or (y) in relation to any sum payable in euro, a day on which the TARGET System is open (a **TARGET Business Day**). In these Terms and Conditions, **TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of the Variable Rate Notes will be determined in the manner specified in the applicable Final Terms, which may be, without limitation:

- (A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or other person specified in the applicable Final Terms, under an interest rate swap transaction if the Fiscal Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;

- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (x) if the applicable Floating Rate Option is based on the London interbank offered rate (**LIBOR**), or on the Euro-zone interbank offered rate (**EURIBOR**), the first day of that Interest Period or (y) in any other case, as specified in the applicable Final Terms.

For purposes of this sub-paragraph, **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity**, **Reset Date** and **Euro-zone** have the meanings given to those terms in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (the **ISDA Definitions**) and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series.

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR or 11.00 a.m., Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the Specified Time, the Fiscal Agent shall request the principal London office of each of the Reference Banks (as defined below) to provide the Fiscal Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Fiscal Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the

Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer and the Fiscal Agent suitable for such purpose) informs the Fiscal Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) (or, as the case may be, the quotations of such bank or banks to the Fiscal Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Fiscal Agent or as specified in the applicable Final Terms.

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

(C) Other Determination

Where a manner of determination other than ISDA Determination or Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined in the manner so specified (including, if so specified, by reference to the Technical Annex to the Terms and Conditions).

(iii) *Minimum and/or Maximum Rate of Interest and/or Rate Multiplier*

Subject to the provisions of Condition 5(b)(ii)(A), if the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

If the applicable Final Terms specifies a Rate Multiplier for any Interest Period, then, the Rate of Interest in respect of any such Interest Period shall be multiplied by the relevant Rate Multiplier, subject always to the Minimum and/or Maximum Rate of Interest as described above.

If n/N or n_b/N_b is specified as the Rate Multiplier in the applicable Final Terms, the following definitions shall apply, unless otherwise specified in the applicable Final Terms:

n means the number of calendar days in the relevant Interest Period in respect of which the Benchmark was equal to or greater than the Lower Limit and equal to or lower than the Upper Limit, in each case as determined by the Calculation Agent.

N means the total number of calendar days within the relevant Interest Period.

n_b means the number of Business Days in the relevant Interest Period in respect of which the Benchmark was equal to or greater than the Lower Limit and equal to or lower than the Upper Limit, in each case as determined by the Calculation Agent.

N_b means the total number of Business Days within the relevant Interest Period.

Lower Limit means, in respect of the relevant Interest Period, the limit specified in the applicable Final Terms.

Benchmark means, in respect of any calendar day (in respect of the definition of **n**) or, as applicable, Business Day (in respect of the definition of **n_b**) of the relevant Interest Period, unless otherwise specified in the applicable Final Terms:

- if **USD-LIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “USD-LIBOR-BBA” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen LIBOR01 Page, USD-LIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “USD-LIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).
- if **GBP-LIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “GBP-LIBOR-BBA” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen LIBOR01 Page, GBP-LIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “GBP-LIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).
- if **EURIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “EUR-EURIBOR-Reuters” (as defined in the ISDA Definitions) for a

period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen EURIBOR01 Page, EURIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “EUR-EURIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).

- if **EUR-CMS** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “EUR-ISDA-EURIBOR Swap Rate-11:00” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without Reference to any Reset Date), and appearing on Reuters Screen ISDAFIX2 Page as at 11.00 a.m. (Frankfurt time) under the heading “EURIBOR BASIS – FRF” and above the caption “11:00 AM FRANKFURT”. If on any Benchmark Day, such rate does not appear on Reuters Screen ISDAFIX2 Page, EUR-CMS will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “EUR-Annual Swap Rate-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity specified in the applicable Final Terms (without reference to any Reset Date).
- if **USD-CMS** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “USD-ISDA-Swap Rate” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without Reference to any Reset Date), and appearing on Reuters Screen ISDAFIX1 Page as at 11.00 a.m. (New York time). If on any Benchmark day, such rate does not appear on Reuters Screen ISDAFIX1 Page, USD-CMS will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “USD-CMS-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).

For the purposes hereof, (i) the value of the Benchmark on any calendar day of the relevant Interest Period which is not a Benchmark Day shall be deemed to be the value ascribed to the Benchmark on the first preceding Benchmark Day and (ii) the value of the Benchmark on each of the last four TARGET Business Days of any Interest Period shall be deemed to be the value ascribed to the Benchmark on the fifth TARGET Business Day (or the Benchmark Day immediately preceding such fifth TARGET Business Day if such fifth TARGET Business Day is not a Benchmark Day) preceding the Interest Payment Date relating to such Interest Period.

Benchmark Day means

- if the relevant Benchmark is USD-LIBOR or GBP-LIBOR, a day (other than a Saturday or Sunday) on which banks are open for business (including dealings in foreign exchange and deposit in USD) in London;
- if the relevant Benchmark is EURIBOR or EUR-CMS, a day (other than a Saturday or Sunday) on which the TARGET System is operating; and
- if the relevant Benchmark is USD-CMS, a day (other than a Saturday or Sunday) on which banks are open for business in New York.

Upper Limit means, in respect of the relevant Interest Period, the limit specified in the applicable Final Terms.

(iv) *Determination of Rate of Interest and calculation of Interest Amount*

The Fiscal Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of all other Variable Rate Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Variable Rate Notes except Floating Rate Notes, the Calculation Agent will notify the Fiscal Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same (but in no event later than the first Business Day after such calculation).

The Fiscal Agent will calculate the amount of interest (the **Interest Amount**) payable on the Variable Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Variable Rate Notes which are Uncertificated Notes or Notes represented by a global Note, the aggregate outstanding nominal amount of the Notes of the relevant Series (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Variable Rate Notes which are Definitive Bearer Notes or Definitive Registered Notes, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Variable Rate Note which is a Definitive Bearer Note or a Definitive Registered Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(v) *Notification of Rate of Interest and Interest Amount*

The Fiscal Agent will cause the Rate of Interest and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor and any stock exchange on which the relevant Variable Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after the calculation or determination thereof (provided that, in the case of notification to any stock exchange, such notice will be given by no later than the first day of the relevant Interest Period or, if that is impossible due to the date fixed for such determination or calculation, as soon as practicable on or after such date). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Variable Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of these Conditions, the expression **Luxembourg Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in Luxembourg.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5, by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Calculation Agent (if applicable) the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Noteholders, the Receiptholders or the Couponholders

shall attach to the Fiscal Agent or, if applicable, the Calculation Agent, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Zero Coupon Notes*

Where a Zero Coupon Note becomes due and repayable and is not paid when due, the amount due and repayable shall be the amount determined in accordance with Condition 7(g) and notified in accordance with Condition 5(b)(v), *mutatis mutandis*.

(d) *Physical Delivery Notes and Dual Currency Notes*

The rate or amount of interest payable in respect of Physical Delivery Notes or Dual Currency Notes shall be determined in the manner, and by the party, specified in the applicable Final Terms and notified in accordance with Condition 5(b)(v), *mutatis mutandis*.

(e) *Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and/or otherwise as specified in the applicable Final Terms.

(f) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal or the payment and/or delivery of the Physical Delivery Amount (where applicable) is improperly withheld or refused. In such event, interest will continue to be calculated and to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

(g) *Deferral of Interest*

In the case of Undated Subordinated Notes, interest shall be payable on each Compulsory Interest Payment Date (as defined below) in respect of the interest accrued in the interest period ending on the day immediately preceding such date. On any Optional Interest Payment Date (as defined below) there may be paid (if Société Générale so elects) the interest accrued in the interest period ending on the day immediately preceding such date, but Société Générale shall not have any obligation to make such payment. Any interest not paid on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute **Arrears of Interest** which term shall include interest on such unpaid interest as referred to below. Arrears of Interest may, at the option of Société Générale, be paid in whole or in part at any time upon the expiration of not less than seven days' notice to such effect given to the Noteholders in accordance with Condition 15, but all Arrears of Interest on all Undated Subordinated Notes outstanding shall become due in full on whichever is the earliest of: (A) the interest payment date immediately following the date upon which a dividend is paid on any class of share capital of Société Générale, and (B) the commencement of a liquidation or dissolution of Société Générale. If notice is given by Société Générale of its intention to pay the whole or part of Arrears of Interest, Société Générale shall be obliged to do so upon the expiration of such notice. When Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest interest period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall (to the extent permitted by law) bear interest accruing and

compounding on a daily basis at the prevailing rate of interest on the Undated Subordinated Notes in respect of each relevant interest period. For these purposes the following expressions have the following meanings:

Compulsory Interest Payment Date means any Interest Payment Date unless at the *Assemblée Générale* immediately preceding such date which was required to approve the annual accounts of Société Générale for the fiscal year ended prior to such *Assemblée Générale*, no resolution was passed to pay a dividend on any class of share capital of Société Générale in respect of such previous fiscal year.

(h) *Certain definitions relating to the calculation of interest*

Day Count Fraction means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms, subject to the terms of the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including or, in respect of VPC Uncertificated Notes, but excluding) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding or, in respect of VPC Uncertificated Notes, and including) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if **Actual/365** or **Actual/Actual** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (iii) if **Actual/365 (Fixed)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iv) if **Actual/365 (Sterling)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (vi) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms, 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 (unless (1) the last day of the Interest Period is the

thirty-first day of a month but the first day of the Interest Period is a day other than the thirtieth or thirty-first day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (2) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

- (vii) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms, 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, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

Unless otherwise specified in the applicable Final Terms, the Day Count Fraction applicable to Floating Rate Notes denominated in euro shall be Actual/360.

Determination Period means each period from (and including or, in respect of VPC Uncertificated Notes, but excluding) a Determination Date to (but excluding or, in respect of VPC Uncertificated Notes, and including) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

Interest Period means, unless otherwise specified in the applicable Final Terms, the period beginning on (and including or, in respect of VPC Uncertificated Notes, but excluding) the Interest Commencement Date and ending on (but excluding or, in respect of VPC Uncertificated Notes, and including) the first Interest Payment Date and each successive period beginning on (and including or, in respect of VPC Uncertificated Notes, but excluding) an Interest Payment Date and ending on (but excluding or, in respect of VPC Uncertificated Notes, and including) the next Interest Payment Date or such other period as is specified in the applicable Final Terms.

Interest Rate_(i-1) means, in respect of an Interest Period, the Rate of Interest determined by the Calculation Agent in respect of the immediately preceding Interest Period. For the avoidance of doubt, Interest Rate _(i-1) is expressed as a rate per annum, unless otherwise specified in the Final Terms.

Issue Date means the date specified as such on the applicable Final Terms. On the Issue Date the relevant clearing systems debit and credit accounts in accordance with instructions received by them.

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

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

- (i) *Rounding generally*

In connection with the calculation of any amount payable in respect of the Notes (including, without limitation, interest) and unless otherwise provided in these Terms and Conditions or in the applicable Final Terms, such amounts will, if necessary, be rounded to the nearest sub-unit (as defined above) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

6. Payments

For the purposes of this Condition 6, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to delivery of any Physical Delivery Amount(s).

- (a) *Method of Payment*

Subject as provided below and, in the case of Physical Delivery Notes, Registered Notes or Uncertificated Notes, subject also as provided in the applicable Final Terms:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, except in the case of Registered Notes, by a cheque in such Specified Currency drawn on, a bank (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be an authorised foreign exchange bank) in the principal financial centre(s) of the country of such Specified Currency (which if the Specified Currency is Australian dollars, shall be Melbourne or Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal);
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, except in the case of Registered Notes, by a euro-cheque;
- (iii) in the case of Physical Delivery Notes which are settled by way of delivery, on the due date for redemption, the relevant Issuer shall deliver, or procure the delivery of, the documents evidencing the number of, and/or constituting the, Underlying Assets plus/minus any amount due to/from the Noteholder deliverable in respect of each Note (the **Physical Delivery Amount**) to or to the order of the Noteholder in accordance with the instructions of the Noteholder contained in the Transfer Notice (as defined below). The Physical Delivery Amount shall be evidenced in the manner described in the applicable Final Terms; and
- (iv) in the case of Physical Delivery Notes, the applicable Final Terms may also contain provisions for variation of settlement pursuant to an option to such effect or where the relevant Issuer or the holder of a Physical Delivery Note (as the case may be) is not able to deliver, or take delivery of, (as the case may be) the Underlying Assets or where a Settlement Disruption Event (as described in the applicable Final Terms) has occurred, all as provided in the applicable Final Terms.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) *Presentation of Definitive Bearer Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of such Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (defined below). Payments under paragraph (a) above made, at the option of the bearer of such Note or Coupon, by cheque shall be mailed or delivered to an address outside the United States furnished by such bearer. Subject to any applicable laws and regulations, such payments made by transfer will be made in immediately available funds to an account maintained by the payee with a bank located outside the United States. Subject as provided below, no payment in respect of any Definitive Bearer Note or Coupon will be made upon presentation of such Definitive Bearer Note or Coupon at any office or agency of the Issuer, the Guarantor or any Paying Agent in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States.

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 6(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner

provided in Condition 6(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes which are Definitive Bearer Notes (other than Dual Currency Notes, Index Linked Notes or Physical Delivery Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note which is a Definitive Bearer Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Physical Delivery Note which is a Definitive Bearer Note becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any Floating Rate Note, Dual Currency Note, Index Linked Note or Physical Delivery Note which is settled by way of cash is presented for redemption without all unmatured Coupons appertaining thereto, payment of all amounts due in relation to such Note shall be made only against the provision of such indemnity as the relevant Issuer and (if applicable) the Guarantor may decide.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

(c) *Payments in respect of Bearer Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Bearer Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Bearer Global Note against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States (defined below). A record of each payment made against presentation or surrender of such Bearer Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note by the relevant Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made.

(d) *Payments in respect of Registered Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register

of holders of the Registered Notes maintained by the Registrar (the **Register**) at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Melbourne or Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**) at such holder's address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

Where applicable pursuant to an election by a relevant holder, all amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer, the Guarantor or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) *Payments in respect of Uncertificated Notes*

Payments of principal and interest in respect of Uncertificated Notes will be made to the persons registered as Noteholders in the register maintained by the relevant central securities depositary and clearing institution, in the case of VPC Uncertificated Notes, on the fifth Payment Business Day (or otherwise in accordance with the rules and procedures applied by VPC from time to time) or, in the case of APK Uncertificated Notes, on the first Payment Business Day (or otherwise in accordance with the rules and

procedures applied by APK from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of Uncertificated Notes is not a Payment Business Day, the holder thereof shall not be entitled to payment until the next following Payment Business Day and shall not be entitled to further interest or other payment in respect of such delay. For the purposes of this Condition 6(e), Payment Business Day shall mean any day on which commercial banks are open for general business in Stockholm (in the case of VPC Uncertificated Notes) or Helsinki (in the case of APK Uncertificated Notes).

In the event of late payment with respect to any Uncertificated Note, penalty interest will be payable on the overdue amount from the due date up to and including the date on which payment is made at an interest rate corresponding to, in the case of VPC Uncertificated Notes, STIBOR (defined below) plus one percentage point or, in the case of APK Uncertificated Notes, EURIBOR (defined below) plus one percentage point. No capitalisation of interest will be made.

STIBOR means the average of the interest rates quoted at approximately 11 a.m. on the first day (such day being a day on which commercial banks are open for general business in Stockholm) after the day on which the relevant payment was due on Reuter's page "SIDE" (or such other system or other page as shall replace the Reuter's page "SIDE") in respect of a loan with a designated interest period of one week, or, if no such quotation is given, the average of interest rate which is stated by three major Swedish banks selected by Société Générale to be their funding cost at that time in respect of a loan with a designated interest period of one week in Swedish Kronor in the Stockholm interbank market; provided that, if the interest rate for the relevant period cannot be determined in accordance with any of the methods mentioned above, then the interest rate for such period shall be the last available quote on Reuter's page "SIDE" (or such other system or other page as shall replace the Reuter's page "SIDE") in respect of such period.

EURIBOR means the rate for deposits in EUR which is defined under, and shall be determined by the Calculation Agent in accordance with, the Floating Rate Option "EUR-EURIBOR-Telorate" in the ISDA Definitions for a period (Designated Maturity) of sixth months with a Reset Date being the first day of the relevant calculation period.

An Additional Paying Agent will be appointed and identified in the applicable Final Terms with respect to any Uncertificated Notes and such Additional Paying Agent shall have the characteristics described in Condition 6(g).

(f) *General provisions applicable to payments*

The holder of a global Note (other than an SIS Note) shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the payment obligations of the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by a global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer or, as the case may be, the Guarantor in respect of any payments due on that global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and/or interest in respect of Bearer Notes (if any) will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

- (i) the Issuer and the Guarantor have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

(g) *Payment Business Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Business Day, the holder thereof shall instead be entitled to payment: (i) on the next following Payment Business Day in the relevant place, if “Following Payment Business Day” is specified in the applicable Final Terms; or (ii) on the next following Payment Business Day in the relevant place, unless the date for payment would thereby fall into the next calendar month, in which event such date for payment shall be brought forward to the immediately preceding Payment Business Day in the relevant place, if “Modified Following Payment Business Day” is specified in the applicable Final Terms; provided that if neither “Following Payment Business Day” nor “Modified Following Payment Business Day” is specified in the applicable Final Terms, “Following Payment Business Day” shall be deemed to apply. In the event that any adjustment is made to the date for payment in accordance with this Condition 6(g), the relevant amount due in respect of any Note, Receipt or Coupon shall not be affected by any such adjustment. For these purposes, unless otherwise specified in the applicable Final Terms and except as specified in Condition 6(d), **Payment Business Day** means any day which is:

- (i) subject to the provisions of the Agency Agreement, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation or, in respect of Uncertificated Notes, the place of registration; and
 - (B) each Additional Financial Centre specified in the applicable Final Terms;
- (ii) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars, shall be Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal) or (B) in relation to any sum payable in euro, a day on which the TARGET System is open; and
- (iii) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(h) *Physical Delivery Notes*

The applicable Final Terms will contain provisions relating to the procedure for the delivery of any Physical Delivery Amount in respect of Physical Delivery Notes (including, without limitation, liability for the costs of transfer of Underlying Assets).

The Underlying Assets will be delivered at the risk of the relevant Noteholder in such manner as may be specified in the transfer notice pursuant to which such Underlying Assets are delivered (the **Transfer Notice**,

the form of which is annexed to the Agency Agreement) and, notwithstanding Condition 5(b) above, no additional payment or delivery will be due to a Noteholder where any Underlying Assets are delivered after their due date in circumstances beyond the control of either the relevant Issuer or the Settlement Agent.

Any delivery of Underlying Assets will only be made in compliance with applicable securities laws.

(i) *Payments on SIS Notes*

In the case of an SIS Note, unless otherwise specified in the applicable Final Terms, the relevant Swiss Paying Agency Agreement shall supplement and modify the Agency Agreement for the purposes of the relevant SIS Notes, including providing for the appointment of a Principal Swiss Paying Agent (which, in the case of SIS Notes listed on the SWX, shall at all times be a bank, securities dealer or other institution that is subject to supervision by the Swiss Federal Banking Commission) that will perform certain duties including, *inter alia*, those which relate to Swiss capital market customs and payment instructions and providing for the appointment of Swiss Paying Agents to act as paying agents in Switzerland for the Notes.

The Issuer shall make all payments of principal and interest due under the Notes to the Principal Swiss Paying Agent which shall, where applicable, promptly reimburse each Swiss Paying Agent on demand for payments in respect of Notes properly made by such Swiss Paying Agent in accordance with the Swiss Paying Agency Agreement and the Conditions. The receipt by the Principal Swiss Paying Agent of the due and punctual payment of such funds in Switzerland shall discharge the Issuer's obligations under the permanent global Note or the Definitive Bearer Notes, Receipts and Coupons, if printed, with respect to the payment of, as the case may be, principal, interest, costs and additional amounts on the Notes and the paying agency fees, in each case to the extent of the funds received as of the due date therefor.

(j) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(g)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8. Any reference in these Terms and Conditions to "interest accrued" or "accrued interest" shall be deemed to include any Arrears of Interest suspended as provided in Condition 5(g).

In the case of Physical Delivery Notes, references in these Terms and Conditions to principal and/or interest and Physical Delivery Amount(s) shall mean such amount less any expenses, fees, stamp duty, levies or other amounts payable on or in respect of the relevant Physical Delivery Amount(s).

(k) *Currency unavailability*

This paragraph shall apply when payment is due to be made in respect of any Note, Receipt or Coupon in the Specified Currency (other than where the Specified Currency is euro) and the Specified Currency is not available to the Issuer or the Guarantor (as applicable) due to the imposition of exchange controls, the Specified Currency's replacement or disuse or other circumstances beyond the control of the Issuer or the Guarantor (as applicable) (**Currency Unavailability**). In the event of Currency Unavailability, the Issuer or the Guarantor (as applicable) will be entitled to satisfy its obligations to the holder of such Note, Receipt or Coupon by making payment in euro on the basis of the spot exchange rate at which the Specified Currency is offered in exchange for euro in an appropriate inter-bank market at noon, Paris time, four Business Days prior to the date on which payment is due or, if such spot exchange rate is not available on that date, as of the most recent prior practicable date. Any payment made in euro in accordance with this paragraph will not constitute an Event of Default.

7. Redemption and Purchase

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms and, if so specified, by reference to the Technical Annex to these Terms and Conditions (or, in the case only of Physical Delivery Notes where the applicable Final Terms specifies that such Notes will be redeemed by payment and/or delivery of a Physical Delivery Amount, by the payment and the delivery of the Physical Delivery Amount specified in, or determined in the manner specified in, the applicable Final Terms) in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer or, as the case may be, the Guarantor in whole, but not in part, at any time (in the case of the Notes other than Floating Rate Notes or any other interest bearing Notes in respect of which the Rate of Interest is not calculated on a fixed rate basis (**Variable Interest Notes**)) or on any Interest Payment Date (in the case of Floating Rate Notes or Variable Interest Notes) but subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, on giving not less than 30 nor more than 45 days' notice to the Fiscal Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if:

- (i) immediately prior to the giving of such notice the Issuer or the Guarantor has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph 7(g) below together (if appropriate) with accrued interest to (but excluding or, in respect of VPC Uncertificated Notes, and including) the date of redemption.

(c) *Special Tax Redemption*

If the Issuer or, as the case may be, the Guarantor would, on the occasion of the next payment of principal or interest in respect of the Notes, be prevented by the law of a Tax Jurisdiction from causing payment to be made to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8(b), then the Issuer or the Guarantor, as the case may be, shall forthwith give notice of such fact to the Fiscal Agent and the Issuer or the Guarantor, as the case may be, shall, subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, upon giving not less than seven nor more than 45 days' prior notice to the Noteholders in accordance with Condition 15, forthwith redeem all, but not some only, of the Notes at their Early Redemption Amount, together, if appropriate, with accrued interest, on the latest practicable Interest Payment Date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of:

- (i) the latest practicable date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes; and
- (ii) 14 days after giving notice to the Fiscal Agent as aforesaid.

(d) *Final Terms*

The Final Terms applicable to the Notes indicate either:

- (i) that the Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraphs (b) and (c) above and in Condition 10); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date in accordance with the provisions of paragraphs (e) and/or (f) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(e) *Redemption at the Option of the Issuer*

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, having (unless otherwise specified in the applicable Final Terms) given not less than 30 nor more than 45 days' notice, in accordance with Condition 15, to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding or, in respect of VPC Uncertificated Notes, and including) the relevant Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot (in the case of Redeemed Notes represented by Notes in definitive form) and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or DTC in the case of Redeemed Notes represented by a global Note held on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg and/or DTC as either a pool factor or a reduction in nominal amount, at their discretion) and in accordance with the rules of the relevant securities depository and any relevant provisions in the applicable Final Terms (in the case of Registered Notes), in each case not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Notes represented by Notes in definitive form, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior

to the date fixed for redemption. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (e) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least ten days prior to the Selection Date.

In respect of any Note, any notice given by the Issuer pursuant to this Condition 7(e) shall be void and of no effect in relation to that Note in the event that, prior to the giving of such notice by the Issuer, the holder of such Note had already delivered a Put Notice in relation to that Note in accordance with Condition 7(f).

In the case of Subordinated Notes which constitute Tier 2 Capital, the Optional Redemption Date may only occur on or after the fifth anniversary of the Issue Date of such Notes.

(f) *Redemption at the Option of the Noteholders*

In the case of Subordinated Notes, there will be no redemption at the option of the Noteholders.

If the Noteholders are specified in the applicable Final Terms as having an option to require the Issuer to redeem any Note, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to but excluding (or, in respect of VPC Uncertificated Notes, and including) the Optional Redemption Date. It may be that before an option to require the Issuer to redeem any Note can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of a Note, the holder of such Note must, if the Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2. If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to the order or under its control. If the Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of the Note must, within the notice period, give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Fiscal Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Fiscal Agent for notation accordingly.

In the case of Uncertificated Notes, a Put Notice will not be effective against the Issuer before the date on which the relevant Notes have been transferred to the account designated by the Additional Paying Agent specified in the applicable Final Terms (which, for the purposes of the Uncertificated Notes, will be an account operator specifically authorised by the relevant central securities depositary and clearing institution to process and register issues in the system of the relevant central securities depositary and clearing institution), and blocked by such Additional Paying Agent to prevent further transfer as of the Optional Redemption Date.

Notwithstanding the foregoing, in the case of Uncertificated Notes, the right to require redemption of such Notes in accordance with this Condition 6(g) must be exercised in accordance with the rules and procedures of the relevant central securities depositary and clearing institution and if there is any inconsistency between the above and the rules and procedures of the relevant central securities depositary and clearing institution, then the rules and procedures of the relevant central securities depositary and clearing institution shall prevail.

Any Put Notice given by a holder of any Note pursuant to this paragraph (f) shall be:

- (i) irrevocable except where prior to the due date of redemption an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (f) and instead to declare such Note forthwith due and payable pursuant to Condition 10; and
- (ii) void and of no effect in relation to such Note in the event that, prior to the giving of such Put Notice by the relevant holder (A) such Note constituted a Redeemed Note, or (B) the Issuer had notified the Noteholders of its intention to redeem all of the Notes then outstanding, in each case pursuant to Condition 7(e).

(g) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 10, unless otherwise specified in the applicable Final Terms, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (iii) in the case of Physical Delivery Notes, as determined in the manner specified in the applicable Final Terms; or
- (iv) in the case of Zero Coupon Notes, at an amount (the **Amortised Face Amount**) equal to the sum of:
 - (A) the Reference Price specified in the applicable Final Terms; and
 - (B) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including or, in respect of VPC Uncertificated Notes, but excluding) the Issue Date to (but excluding or, in respect of VPC Uncertificated Notes, and including) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.
- (v) if **Market Value** is specified in the applicable Final Terms as the Early Redemption Amount, at an amount determined by the Calculation Agent, which, on the due date for the redemption of the Note, shall represent the fair market value of the Notes and shall have the effect (after taking into account the costs of unwinding any hedging arrangements entered into in respect of the Notes) of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make the payments in respect of the Notes which would, but for such early redemption, have fallen due after the relevant early redemption date. In respect of Notes

bearing interest, notwithstanding the last sentence of Condition 7(b), the ninth line of Condition 7(c) and the first paragraph of Condition 9, the Early Redemption Amount, as determined by the Calculation Agent in accordance with this paragraph shall include any accrued interest to (but excluding or, in respect of VPC Uncertificated Notes, and including) the relevant early redemption date and apart from any such interest included in the Early Redemption amount, no interest, accrued or otherwise, or any other amount whatsoever will be payable by the Issuer or, as the case may be, the Guarantor in respect of such redemption.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of the Day Count Fraction, if applicable, specified in the applicable Final Terms.

(h) *Instalments*

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (g) above.

(i) *Partly Paid Notes*

If the Notes are Partly Paid Notes:

- (i) they will be subscribed at the Part Payment Amounts and on the Part Payment Dates specified in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms, the obligation to pay a Part Payment Amount on the relevant Part Payment Date is only incurred by the holders of the Notes on such Part Payment Date;
- (ii) unless otherwise specified in the applicable Final Terms, they will be redeemed on the Maturity Date at their nominal amount and on any Optional Redemption Date at their paid-up nominal amount as at the date fixed for redemption;
- (iii) unless otherwise specified in the applicable Final Terms, in the event that any Noteholder fails to pay a Part Payment Amount on the relevant Part Payment Date (such date a **Part Payment Default Date**), any such Notes held by such Noteholder shall automatically be redeemed on the relevant Early Redemption Date, at the Settlement Amount.

For the purposes of this Condition 7(i) and unless otherwise specified in the applicable Final Terms:

Early Redemption Date means, in respect of any Note, the seventh Payment Business Day following a Part Payment Default Date;

Settlement Amount means, in respect of any Note, an amount determined by the Calculation Agent in accordance with the following formula:

Max [0; [Paid-up Nominal Amount – Hedging Arrangements]]

where:

Hedging Arrangements means the pro-rata share, in respect of each Note, of the costs of unwinding all hedging arrangements (taking into account the present value of any Part Payment Amount(s) remaining to be paid in respect of the Notes) entered into or purchased by the Issuer and/or the Guarantor in respect of the Notes;

Paid-up Nominal Amount means, in respect of any Part Payment Date, the paid-up nominal amount of the relevant Note up to (and including) the applicable Part Payment Date.

Interest will neither accrue nor be payable in respect of the period from and including the applicable Part Payment Default Date to and including the applicable Early Redemption Date.

(j) *Purchases*

The Issuer or the Guarantor (if applicable) may, subject as provided in the next paragraph, at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise, in accordance with applicable laws and regulations. In the case of Notes issued by Société Générale, Notes purchased by or on behalf of the Issuer, will be surrendered to a Paying Agent (or, in the case of Registered Notes, the Registrar) for cancellation (together with, in the case of Bearer Notes, any unmatured Receipts and Coupons appertaining thereto). In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, Notes purchased by or on behalf of the Issuer may, at the option of the Issuer, be held, re-sold or surrendered to any Paying Agent (or, in the case of Registered Notes, the Registrar) for cancellation. Any Uncertificated Notes purchased by or on behalf of the Issuer may, at the option of the Issuer, be held, re-sold or cancelled.

In the case of Subordinated Notes, Société Générale may at any time purchase such Notes, provided that the prior written approval of the *Secrétariat général de la Commission bancaire* in France shall be obtained (i) if the total principal amount of the Notes so purchased exceeds 10 per cent. of the initial aggregate principal amount of the Notes and (ii) in the case of an *offre publique d'achat* (cash take-over bid) or an *offre publique d'échange* (paper take-over bid).

(k) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with, in the case of Bearer Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (j) above (together with, in the case of Bearer Notes, all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Fiscal Agent and cannot be reissued or resold.

(l) *Late Payment on Zero Coupon Notes*

Except as provided in the applicable Final Terms, if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note, except for Registered Notes, pursuant to paragraph (a), (b), (c), (e) or (f) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iv) above as though the references therein to the date fixed for the redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

(m) *Redemption of Uncertificated Notes*

Notwithstanding the foregoing provisions of this Condition, the redemption of Uncertificated Notes may be subject to certain special restrictions and procedures, as set out in the applicable Final Terms.

(n) *Redemption of Registered Notes*

If the Issuer determines at any time that a holder of Registered Notes in the United States or that is a U.S. person was not a QIB and a QP at the time it purchased or acquired such Notes in breach of the deemed or

actual representations given by such holder upon the purchase of such Notes, the Issuer may (a) redeem such Notes, or (b) direct such holder to sell or transfer its Notes to a person that is both a QIB and a QP or to a non-U.S. person outside the United States within 30 days following receipt of such notice, and if such holder fails to sell or transfer its Notes within such 30 day period, the Issuer may transfer or sell such Notes on behalf of such holder.

8. Taxation

- (a) In the case of Notes issued by Société Générale and SG Option Europe, interest and other revenues with respect to Notes (and any Coupons appertaining thereto) that constitute “*obligations*” under French law and that are issued (or deemed to be issued) outside France according to the Circular of the *Direction générale des impôts* dated 30 September 1998, as amended, replaced or updated from time to time, benefit from the exemption from deduction of tax at source provided for in article 131 *quater* of the *Code général des impôts* (French General Tax Code). Accordingly, such payments do not give the right to any tax credit from any French source.
- (b) In the case of Notes issued by Société Générale or SG Option Europe and, in either case, benefiting from the exemption provided for in article 131 *quater* of the *Code général des impôts* as mentioned above or Notes issued by SGA Société Générale Acceptance N.V., all payments in respect of such Notes, Receipts and Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall, to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:
 - (i) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands Antilles (in the case of payments by SGA Société Générale Acceptance N.V.) or France (in the case of payments by Société Générale or SG Option Europe) other than by the mere holding of such Note, Receipt or Coupon; or
 - (ii) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Business Day (as defined in Condition 6(g)); or
 - (iii) in respect of an issue of Notes which have been privately placed, if the applicable Final Terms indicate that no such additional amounts shall be payable; or
 - (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law (whether in or outside the European Union) implementing or complying with, or introduced in order to conform to, such Directive; or
 - (v) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein:

- (i) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by Société Générale in its capacity as Issuer or Guarantor or by SG Option Europe) or the Netherlands Antilles or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by SGA Société Générale Acceptance N.V.); and
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal Agent (or, in the case of Uncertificated Notes, the holders of such Uncertificated Notes) on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

9. Prescription

Bearer Notes (and any relative Receipts and Coupons) and Registered Notes will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor, except as provided in the applicable Final Terms.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 9 or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

In the case of Uncertificated Notes, claims against the Issuer for the payment of principal and interest payable in respect of the Notes shall become void, in the case of VPC Uncertificated Notes, unless made within 10 years (in the case of principal) and five years (in the case of interest) or, in the case of APK Uncertificated Notes, unless made within three years, in each case after the Relevant Date (as defined in Condition 8).

10. Events of Default

In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, the holder of any Note may give written notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its Early Redemption Amount, together, if appropriate, with interest accrued to the date of repayment, if any of the following events (each an **Event of Default**) shall occur:

- (a) the Issuer is in default for any reason whatsoever with respect to the payment of interest or principal when due or the delivery of Underlying Assets deliverable in respect of the Notes, which default, in the case of any interest payment, has continued for more than 14 days unless the Guarantor shall have remedied such default before the expiry of such period and save that late delivery of any Underlying Assets in the circumstances referred to in Condition 6(h) shall not constitute an Event of Default hereunder; or
- (b) the Issuer is in default in the performance of any other obligation under these Terms and Conditions and, if such default is capable of being remedied by the Issuer or the Guarantor, such default has not been so remedied within 30 days after written notification from any Noteholder requiring such default to be remedied has been given to the Issuer; or
- (c) the Issuer is in default under any bond, debenture, note or other evidence of indebtedness (including indebtedness arising under a guarantee) for money borrowed or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Issuer, whether such indebtedness now exists or is hereafter incurred, which has resulted in such indebtedness becoming or being declared due and payable, prior to the date on which it would otherwise

have become due and payable, or any such indebtedness is not paid at the stated maturity thereof and such failure to pay continues beyond the grace period, if any, applicable thereto (except, in any of the foregoing cases, where the obligation to pay such indebtedness is being disputed in good faith); or

- (d) the Issuer is adjudicated or found bankrupt or insolvent, or suspends payment, or any order or action is made or taken by any competent court or administrative agency (including, without limitation, in the case of SG Option Europe only, in relation to any protection proceedings, judicial rehabilitation or judicial liquidation), or any resolution is passed by the Issuer, to apply for judicial composition proceedings with its creditors or, in the case of SG Option Europe only, to apply for protection proceedings, judicial rehabilitation, judicial liquidation or voluntary liquidation or for the appointment of a receiver or trustee or other similar official in insolvency proceedings in relation to the Issuer or a substantial part of its assets, or the Issuer is wound up or dissolved; or
- (e) the Guarantee ceases to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or notice is given by the Guarantor which would cause the Guarantee to cease to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Notes, the Receipts or the Coupons, or terminate or amend the same in a manner materially adverse to the interests of the Noteholders, the Receiptholders or the Couponholders, or the Guarantor is unable to perform its obligations thereunder for any reason.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note (except any Uncertificated Note) or (in the case of any Bearer Note) Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), subject to relevant stock exchange requirements and all applicable laws, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

In the case of SIS Notes, references in this Condition 11 to the **Fiscal Agent** shall be deemed to be references to the Principal Swiss Paying Agent.

12. Fiscal Agent and Paying Agents

The names of the initial Fiscal Agent, the initial Registrar and the other initial Paying Agent(s) and their initial specified offices are set out below (except with respect to Uncertificated Notes and SIS Notes) and the name(s) and specified office(s) of the Calculation Agent(s) are specified in the applicable Final Terms. In addition, the Fiscal Agent may (with the prior written consent of the relevant Issuer) delegate certain of its functions and duties in relation to Physical Delivery Notes to a settlement agent (the **Settlement Agent**). In relation to SIS Notes, the Issuer will maintain a Principal Swiss Paying Agent (which, in the case of SIS Notes listed on the SWX, shall at all times be a bank, securities dealer or other institution that is subject to supervision by the Swiss Federal Banking Commission) whose duties will be set out in the Swiss Paying Agency Agreement.

The Issuer and the Guarantor are entitled to vary or terminate the appointment of any Paying Agent or Settlement Agent and/or appoint additional or other Paying Agents or Settlement Agents and/or approve any change in the specified office through which any Paying Agent or Settlement Agent acts, provided that (except with respect to Uncertificated Notes):

- (a) so long as the Notes are listed on any stock exchange or admitted to trading or listing by another relevant authority, there will at all times be a Paying Agent (which may be the Fiscal Agent) and a Transfer Agent (which may be the Registrar) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange; and
- (b) there will at all times be a Paying Agent (which may be the Fiscal Agent) with a specified office in a city in continental Europe; and
- (c) so long as any Registered Global Notes are registered in the name of a nominee for DTC, there will at all times be an Exchange Agent and a Paying Agent with a specified office in New York, New York; and
- (d) there will at all times be a Paying Agent in a Member State of the European Union (a **Member State**) that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive (any such Directive or law, an **EU Savings Directive Tax Law**) to the extent that any Member State does not maintain any obligation to so withhold or deduct pursuant to any EU Savings Directive Tax Law; and
- (e) there will at all times be a Fiscal Agent and a Registrar.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 6(f). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 or more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15.

Notwithstanding the foregoing, the Issuer undertakes that it will appoint, in respect of any SIS Notes, a Principal Swiss Paying Agent having a specified office in Switzerland and will at no time maintain a Paying Agent in respect of any SIS Notes having a specified office outside Switzerland, unless permitted by applicable law.

Notwithstanding the foregoing, in respect of Uncertificated Notes, the Issuer may appoint or (as the case may be) maintain a paying agent in each jurisdiction where Uncertificated Notes are registered and, if appropriate, for so long as any Uncertificated Notes are listed on the Luxembourg Stock Exchange, the Issuer will maintain a paying agent with a specified office in Luxembourg, all as specified in the applicable Final Terms.

In respect of any Uncertificated Notes, the Issuer is entitled to vary or terminate the appointment of the relevant central securities depository and clearing institution or the Additional Paying Agent, provided that the Issuer will appoint another central securities depository and clearing institution or Additional Paying Agent(s), as the case may be, each of them to be duly authorised, in the case of VPC Uncertificated Notes, under the Swedish Financial Instruments Accounts Act (SFS 1998:1479), or, in the case of APK Uncertificated Notes, under the Finnish Act on Book-Entry System (826:1991). The central securities depository and clearing institution and the Additional Paying Agent(s) appointed in respect of Uncertificated Notes act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The Issuer shall be entitled to obtain information from the registers maintained by the relevant central securities depository and clearing institution for the purposes of performing its obligations under any Uncertificated Notes.

In relation to VPC Uncertificated Notes, the Issuer will, in accordance with the Swedish Financial Instruments Accounts Act (SFS 1998:1479), appoint (i) VPC as the central securities depository and clearing institution, and (ii) an Additional Paying Agent for Swedish purposes. Such Additional Paying Agent shall be specified in the relevant Final Terms and shall have the characteristics described in Condition 7(f).

In relation to APK Uncertificated Notes, APK will act as the central securities depository and clearing institution and the Issuer will appoint an Additional Paying Agent for Finnish purposes as specified in the applicable Final Terms.

13. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Substitution

In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, the Issuer may be replaced and the Guarantor or any subsidiary of the Guarantor may be substituted for the Issuer as principal debtor in respect of the Notes, Receipts and Coupons, without the consent of the Noteholders, Couponholders or Receiptholders. If SGA Société Générale Acceptance N.V. or SG Option Europe determines that the Guarantor or any such subsidiary shall become the principal debtor (in such capacity, the **Substituted Debtor**), it shall give not less than 30 nor more than 45 days' notice, in accordance with Condition 15, to the Noteholders of such event and, immediately on the expiry of such notice, the Substituted Debtor shall become the principal debtor in respect of the Notes, Receipts and the Coupons in place of the Issuer and the Noteholders, Receiptholders and Couponholders shall thereupon cease to have any rights or claims whatsoever against the Issuer. However, no such substitution shall take effect:

- (a) if the effect of such substitution would, at the time of such substitution, be that payments in respect of the Notes would be required to be made subject to any withholding or deduction which would not otherwise arise in the absence of such substitution;
- (b) if the Substituted Debtor is not the Guarantor, until the Guarantor shall have entered into an unconditional and irrevocable guarantee substantially in the form of the Guarantee in respect of the obligations of such Substituted Debtor;
- (c) in any case, until the Substituted Debtor shall have provided to the Fiscal Agent such documents as may be necessary to make the Notes and the Agency Agreement its legal, valid and binding obligations; and
- (d) until such Substituted Debtor shall have been approved in writing by the relevant authorities as able to issue the relevant Notes.

Upon any such substitution, the Notes, Receipts, Coupons and Talons will be modified in all appropriate respects and the Guarantor will cause a Supplement to this Debt Issuance Programme Prospectus reflecting such substitution to be produced.

15. Notices

All notices regarding the Notes shall be deemed to be validly given if published in:

- (a) a leading English language daily newspaper of general circulation in Europe (except in the case of Uncertificated Notes); and

- (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website, www.bourse.lu.

It is expected that any such publication in a newspaper will be made in the *Financial Times* in Europe and in the *d'Wort* or the *Tageblatt* in Luxembourg. Notices will be deemed to have been given on the date of the first publication in such newspapers.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any Notes in definitive form are issued, there may, so long as the global Note(s) representing the Notes is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, be substituted for such publication in such newspaper(s), the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC for communication by them to the holders of the Notes and in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on (i) the fourth day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC, if "Four Day Delivery" is specified as the Clearing System Delivery Period in the applicable Final Terms or (ii) the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC, if "Same Day Delivery" is specified as the Clearing System Delivery Period in the applicable Final Terms.

All notices given to Noteholders (irrespective of how given) shall also be delivered in writing to:

- (a) Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be (except in the case of Uncertificated Notes); and
- (b) in the case of Notes listed on a stock exchange or admitted to trading by another relevant authority, to the relevant stock exchange or authority.

Notices to be given by any Noteholder (except in the case of Uncertificated Notes) shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Fiscal Agent or the Registrar (as applicable) via Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Fiscal Agent or the Registrar (as applicable) and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

All notices to holders of Uncertificated Notes shall be:

- (a) deemed to have been duly given if sent by mail to a Noteholder on the address registered for such Noteholder in the system of the relevant central securities depository and clearing institution or in accordance with the legislation, rules and regulations applicable to, and/or issued by, the relevant central securities depository and clearing institution. Any such notice shall be deemed to have been given, if sent by mail to the Noteholder, on the fourth day following the day the notice was sent by mail; and
- (b) published in, if and for so long as the Uncertificated Notes are listed on the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

16. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders (except holders of the Uncertificated Notes) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes (except the Uncertificated Notes) the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or the Guarantor at any time or by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing such Extraordinary Resolution is one or more persons holding or representing in the aggregate not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons (including but not limited to modifying the date of maturity of the Notes, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders. In relation to Subordinated Notes, such modifications may only be made to the extent that the Issuer has obtained the prior written approval of the *Secrétariat général de la Commission bancaire*.

The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is
 - (i) to cure or correct any ambiguity or defective or inconsistent provision contained therein, provided that such modification is not prejudicial to the interests of the Noteholders, the Receiptholders and/or the Couponholders or
 - (ii) to correct a manifest error or proven error or
 - (iii) to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15.

In respect of Uncertificated Notes, the relevant central securities depository and clearing institution and the Issuer, as applicable, may agree, without the consent of the Noteholders to (a) any modification of the Notes which is not materially prejudicial to the interests of the Noteholders; or (b) any modifications of the Notes which is of formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the relevant Noteholders and any such modification shall be notified to such Noteholders in accordance with Condition 15.

17. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes ranking *pari passu* in all respects and on the same Terms and Conditions (save for their Issue Date, Interest Commencement Date, Issue Price and/or the amount and date of the first payment of interest thereon), and so that the same shall be consolidated and form a single series with, the outstanding Notes.

18. Adjustments and Disruption

In the case of Physical Delivery Notes and Index Linked Notes, the applicable Final Terms and (if applicable) a Supplement to this Debt Issuance Programme Prospectus will (where applicable) contain provisions relating to adjustments with respect to Underlying Assets, any underlying index or indices, settlement disruption and market disruption (including, without limitation and where necessary, appropriate definitions of **Potential Adjustment Events**, **Settlement Disruption Events** and **Market Disruption Events** and details of the consequences of such events), except that for Physical Delivery Notes or Notes that are Equity Linked Notes, Commodity Linked Notes, Credit Linked Notes or Managed Assets Portfolio Linked Notes such adjustments with respect to the underlying, and any settlement disruption or market disruption, shall be subject to the provisions of the Technical Annex, unless otherwise provided in the applicable Final Terms.

19. Modifications of the Terms and Conditions of the Notes

The Issuer together with all relevant Purchasers of any Tranche of Notes to be issued under the Programme may agree, in relation to such Tranche of Notes, to vary, amend and/or supplement these Terms and Conditions, such changes (where applicable) to be set forth prior to the Issue Date in the applicable Final Terms to the Tranche of Notes or in an annex or schedule to such Final Terms.

20. Contracts (Rights of Third Parties) Act 1999

The Notes shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which may exist or is available apart from that Act.

21. Governing Law and Submission to Jurisdiction

The Agency Agreement, the Deed of Covenant, the Deed Poll, the Portfolio Management Deed, the Guarantee, the Notes (except Uncertificated Notes, which shall be governed by, and construed in accordance with, the laws of the jurisdiction specified in the applicable Final Terms), the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law, other than Condition 3(b) which, if applicable, is governed by, and shall be construed in accordance with, French law.

The Issuer irrevocably agrees, for the benefit of the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts and/or the Coupons and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Noteholders, the Receiptholders and the Couponholders may take any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with the Notes, the Receipts and the Coupons against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

The Issuer appoints Société Générale, London Branch, (**SGLB**), currently of SG House, 41 Tower Hill, London EC3N 4SG, as its agent for service of process, and undertakes that, in the event of SGLB ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in

England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

The Issuer and, where applicable, the Guarantor have in the Agency Agreement, the Deed of Covenant, the Deed Poll, the Portfolio Management Deed and the Guarantee submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

TERMS AND CONDITIONS OF THE FRENCH LAW NOTES

The following, together with the Technical Annex (if applicable), are the Terms and Conditions of the Notes to be issued under French law, that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, neither the Technical Annex, nor the text of the Terms and Conditions will be endorsed on physical documents of title, but will be constituted by the following text, together with the Technical Annex (if applicable), as completed, amended, supplemented or varied by the applicable Final Terms. In the case of Materialised Notes, either (i) the full text of these Terms and Conditions, together with the Technical Annex (if applicable) and the applicable Final Terms or (ii) these Terms and Conditions, together with the Technical Annex (if applicable), as so completed, amended, supplemented or varied (and subject to simplification by the deletion of inapplicable provisions) shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Terms and Conditions or the Technical Annex (if applicable) will have the meanings given to them in the applicable Final Terms. References in the Terms and Conditions to “the Notes” are to the Notes of one Series only, not to all Notes under the Programme.

French Law Notes may not be offered, sold or otherwise transferred into the United States or to, or for the account or benefit of, U.S. persons.

References herein to the **Issuer** shall be references to the party specified as such in the applicable Final Terms (as defined below).

The Notes are issued by the Issuer with the benefit of an amended and restated agency agreement dated 2 May 2007 (the **French Law Agency Agreement**, which expression includes the same as it may be updated or supplemented from time to time) and made between, *inter alios*, the Issuer, the Guarantor (as defined below), Société Générale Bank & Trust as fiscal agent and, if so specified in the applicable Final Terms, as calculation agent (the **Fiscal Agent** and the **Calculation Agent** respectively, which expression shall include any additional or successor agent or any other calculation agent specified in the applicable Final Terms) and the other paying agents named therein (together with the Fiscal Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents).

The holders of Dematerialised Notes and Materialised Notes (each term as defined below), the holders of the interest coupons (the **Coupons**) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the **Talons**) for further Coupons (the **Couponholders**) and the holders of the receipts (the **Receipts**) for the payment of instalments of principal (the **Receiptholders**) relating to Materialised Notes of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Any reference herein to Euroclear France, Euroclear and/or Clearstream, Luxembourg (each as defined below) shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

The final terms for this Note (or other relevant provisions thereof) are set out in Part A of the Final Terms. The applicable Final Terms (or other relevant provisions thereof) supplement these terms and conditions (the **Terms and Conditions** or the **Conditions**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of the relevant Notes. References herein to the **applicable Final Terms** are to Part A of the Final Terms (or other relevant provisions thereof) and, if applicable, the Schedule to the Final Terms prepared in connection with this Note.

As used herein, **Tranche** means Notes which are identical in all respects and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the French Law Agency Agreement and the Guarantee are available for inspection during normal business hours at the specified office of each of the Paying Agents. Copies of the applicable Final Terms are available for viewing at www.bourse.lu and copies may be obtained from the head office of the relevant Issuer and the specified offices of the Paying Agents save that, if this Note is a Private Placement Note (as defined below), the applicable Final Terms will only be obtainable by a Noteholder holding one or more such Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer or Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the French Law Agency Agreement, the Guarantee (where applicable) and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the French Law Agency Agreement. In this paragraph, **Private Placement Note** means any Note that is not (i) offered to the public in the EEA for the purposes of Article 3.1 of Directive 2003/71/EC (the **Prospectus Directive**) (except as specified under Article 3.2 of the Prospectus Directive) or (ii) admitted to trading in the EEA for the purposes of Article 3.3 of the Prospectus Directive.

Words and expressions defined in the French Law Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the French Law Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Terms and Conditions, the **Guarantor** shall mean Société Générale in its capacity as guarantor pursuant to the Guarantee (as defined in Condition 2(d)) in respect of any Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe. Accordingly, references herein to the Guarantor are applicable only in the context of such Notes.

1. Form, Denomination and Title

(a) Form

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**).

- (i) Title to Dematerialised Notes will be evidenced in accordance with article L. 211-4 of the *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to article R. 211-7 of the *Code monétaire et financier*) will be issued in respect of Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France, a subsidiary of Euroclear Bank S.A./N.V. (**Euroclear France**) which shall credit the accounts of Euroclear France Account Holders, or in registered dematerialised form (*nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*nominatif administré*) inscribed in the books of a Euroclear France Account Holder or in fully registered form (*nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or by the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the **Registration Agent**).

For the purpose of these Conditions, **Euroclear France Account Holder** means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. as operator of the Euroclear System (**Euroclear**) and the depositary bank for Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**).

- (ii) Materialised Notes are issued in bearer form (**Materialised Bearer Notes**). Materialised Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

In accordance with article L. 211-4 of the Code monétaire et financier, Materialised Notes (constituting valeurs mobilières) and governed by French law must be issued outside France.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index Linked Notes (being Index Linked Interest Notes and/or Index Linked Redemption Notes), Fixed/Floating Rate Notes, Physical Delivery Notes, Dual Currency Notes or Partly Paid Notes or a combination of any of the foregoing, depending upon the Interest/Payment/Redemption Basis shown in the applicable Final Terms, or such other type of Note as indicated in the applicable Final Terms. Notes issued by Société Générale are also either Subordinated Notes or Unsubordinated Notes as indicated in the applicable Final Terms. All Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe will be described as “Unsubordinated” in the Final Terms applicable to such Notes.

Any reference herein to **Physical Delivery Notes** shall mean Notes in respect of which an amount of principal and/or interest is payable and/or (by reference to an underlying equity, bond, other security or such other asset as may be specified in the applicable Final Terms (the **Underlying Asset(s)**)) a Physical Delivery Amount (being one or more Underlying Assets plus/minus any amount due to/from the Noteholder in respect of each Note) is deliverable and/or payable, in each case by reference to one or more Underlying Assets as the relevant Issuer and the relevant Purchaser(s) may agree and as indicated in the applicable Final Terms.

- (b) *Denomination(s)*

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the **Specified Denomination(s)**) save that the minimum denomination of each Note issued by Société Générale or SG Option Europe and admitted to trading on a regulated market within the European Economic Area other than a regulated market in France or offered to the public in a Member State of the European Economic Area other than France in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency). Dematerialised Notes shall be issued in one Specified Denomination only.

- (c) *Title*

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Euroclear France Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts in the books of Euroclear France maintained by the Issuer or by the Registration Agent.

- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue (**Definitive Materialised Bearer Notes**), shall pass by delivery.
 - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
 - (iv) In these Conditions, **Noteholder** or **holder** means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Euroclear France Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.
- (d) *Conversion of Dematerialised Notes*
- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*nominatif pur*) or in administered registered form (*nominatif administré*).
 - (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
 - (iii) Dematerialised Notes issued in fully registered form (*nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*nominatif administré*), and vice versa. The exercise of any the option by the Noteholder shall be made in accordance with article R. 211-4 of the *Code monétaire et financier*. Any such conversion shall be effected at the cost of the Noteholder.
- (e) *Exchange of Materialised Notes*

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

2. Status of the Notes and Guarantee

- (a) *In the case of Unsubordinated Notes issued by Société Générale*

Unsubordinated Notes issued by Société Générale are direct, unconditional and (subject to Condition 3) unsecured and unsubordinated obligations of the Issuer and (subject as aforesaid) rank *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer (except any such obligations as are preferred by law) and *pari passu* and rateably without any preference or priority among themselves.

(b) *In the case of Subordinated Notes issued by Société Générale*

(i) *General*

Subordinated Notes (which term shall include both Subordinated Notes (as described in this Condition 2(b)(i)) with a specified maturity date (**Dated Subordinated Notes**) as well as Subordinated Notes (as described in this Condition 2(b)(i)) without a specified maturity date (**Undated Subordinated Notes**)) issued by Société Générale, will be direct, unconditional, unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with any other present and future direct, unconditional, unsecured and subordinated obligations of the Issuer with the exception of the *prêts participatifs* granted to the Issuer and the *titres participatifs* issued by the Issuer. If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of Subordinated Notes issued by Société Générale shall be subordinated to the payment in full of unsubordinated creditors (including depositors) and, subject to such payment in full, the holders of such Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer and any *titres participatifs* issued by it. In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with Subordinated Notes issued by Société Générale will be terminated. The holders of such Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

(ii) *In the case of Dated Subordinated Notes issued by Société Générale*

Unless otherwise specified in the applicable Final Terms, in the case of Dated Subordinated Notes issued by Société Générale, payments of interest constitute obligations which rank equally with the obligations of Société Générale in respect of Unsubordinated Notes issued by Société Générale in accordance with Condition 2(a).

(iii) *In the case of Undated Subordinated Notes issued by Société Générale*

In the case of Undated Subordinated Notes issued by Société Générale, the payment of interest may be deferred in accordance with the provisions of Condition 4(g) of the Terms and Conditions of the relevant Notes.

The proceeds of issues of Undated Subordinated Notes issued by Société Générale may be used for offsetting losses of Société Générale and, thereafter, to allow it to continue its activities in accordance with French banking regulations. The proceeds of such issues will be classed amongst the funds of Société Générale in accordance with Article 4(c) of *Règlement* No. 90-02 of the *Réglementation bancaire et financière*. This provision does not in any way affect any French law applicable to accounting principles relating to allocation of losses nor the duties of shareholders and does not in any way affect the rights of the Noteholders and (if applicable), Receiptholders or Couponholders to receive payments of principal and interest under the Notes and (if applicable), Receipts or Coupons in accordance with these Terms and Conditions.

(c) *In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe*

Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe are direct, unconditional and (subject to Condition 3) unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves and (subject to such exceptions as from time to time exist under applicable law) at least *pari passu* with all other outstanding direct, unconditional, unsecured and unsubordinated obligations of the Issuer, present and future.

(d) *Guarantee in the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe*

The due and punctual payment of any amounts due by the Issuer in respect of the Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe and, where applicable, the payment and/or delivery of any Physical Delivery Amount by the Issuer in respect of such Unsubordinated Notes is unconditionally and irrevocably guaranteed by the Guarantor as provided in the deed of guarantee dated 2 May 2007 (the **Guarantee**). The Guarantee constitutes a direct, unconditional, unsecured and general obligation of the Guarantor and ranks and will rank *pari passu* with all other existing and future direct, unconditional, unsecured and general obligations of the Guarantor, including those in respect of deposits, but excluding any debts for the time being preferred by law and senior to any subordinated obligations. In the event of any default by SGA Société Générale Acceptance N.V. or SG Option Europe in (i) the due and punctual payment of all or any part of any of the above-mentioned amounts or (ii) the payment and/or delivery of any Physical Delivery Amount by the Issuer, the Guarantor will make such payment or, where applicable, the payment and/or delivery of such Physical Delivery Amount on demand and as if such payment or payment and/or delivery of such Physical Delivery Amount, as the case may be, were made by the Issuer.

3. Negative Pledges

(a) *Negative Pledge in the case of Unsubordinated Notes issued by, or Notes guaranteed by, Société Générale*

So long as any Notes issued by, or guaranteed by, Société Générale, or any Receipts or Coupons relating thereto, remain outstanding, Société Générale will not create or permit to exist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues to secure any loan or other indebtedness in the form of, or represented by, negotiable securities such as bonds, notes or debentures (*obligations*), certificates of deposit, cash certificates (including without limitation *bons de caisse*), or other negotiable securities issued before, on or after the Issue Date of the first Tranche of such Notes or any guarantee in respect thereof unless such Notes and any relevant Receipts or Coupons shall forthwith be secured equally and rateably therewith. This Condition 3(a) does not apply in respect of Subordinated Notes issued by Société Générale.

Security Interest means any mortgage, charge, pledge, lien (other than a lien arising solely by operation of law in the ordinary course of business) or other encumbrance.

Permitted Security Interest means any Security Interest created or outstanding upon any property or assets (including current and/or future revenues, accounts, receivables and other payments) of Société Générale arising out of any securitisation or other similar structured finance transaction involving such property or assets where the primary source of payment of any obligations secured by such property or assets is the proceeds of such property or assets (or where the payment of such obligations is otherwise supported by such property or assets) and where recourse to Société Générale in respect of such obligations does not extend to defaults by the obligors in relation to such property or assets.

For the avoidance of doubt it is confirmed that Notes issued prior to 2 May 2007 under an earlier version of the Programme shall continue to benefit from the negative pledge set out in the terms and conditions relating to such Notes.

(b) *Negative Pledge in the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe*

So long as any Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe, as applicable, or any Receipts or Coupons relating thereto, remain outstanding, the relevant Issuer will not secure

or allow to be secured any loan, debt or other obligation in respect of borrowed moneys (including an obligation under a guarantee) by any lien, mortgage, pledge or other charge upon any of its present or future assets or revenues (other than fixed assets or revenues therefrom) without at the same time equally and rateably securing such Notes and any Receipts or Coupons by such lien, mortgage, pledge or charge or equivalent security therefor.

4. Interest

(a) Interest on Fixed Rate Notes

Unless otherwise specified in the applicable Final Terms, each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, in accordance with Condition 4(e)) from (and including) the Interest Commencement Date specified in the applicable Final Terms at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period (defined below) ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If interest is required to be calculated for a period ending other than on an Interest Payment Date or if no Fixed Coupon Amount is specified in the applicable Final Terms, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination (or if it is a Partly Paid Note, in accordance with Condition 4(e)), multiplying such sum by the applicable Day Count Fraction (defined below), unless otherwise specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit (defined below) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) Interest Payment Dates

Unless otherwise specified in the applicable Final Terms, each Floating Rate Note, Index Linked Interest Note and other Note in respect of which the relevant interest is not determined pursuant to a fixed Rate of Interest (together, the **Variable Rate Notes**) bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, in accordance with Condition 4(e)) from (and including) the Interest Commencement Date specified in the applicable Final Terms and such interest will be payable in respect of each Interest Period and in arrear on either:

- (A) the Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Interest Payment Date specified in the applicable Final Terms an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the **Floating Rate Convention**, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the **Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (C) the **Modified Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (D) the **Preceding Business Day Convention**, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Business Day Convention is to be applied on an **unadjusted** basis, the Interest Amount payable on any date shall not be affected by the application of such Business Day Convention.

In this Condition 4, **Business Day** means (unless otherwise stated in the applicable Final Terms) a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each Additional Business Centre(s) specified in the applicable Final Terms; and
- (B) either (x) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre(s) of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars, shall be Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal) or (y) in relation to any sum payable in euro, a day on which the TARGET System is open (a **TARGET Business Day**). In these Terms and Conditions, **TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of the Variable Rate Notes will be determined in the manner specified in the applicable Final Terms, which may be, without limitation:

- (A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the

relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or other person specified in the applicable Final Terms, under an interest rate swap transaction if the Fiscal Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (x) if the applicable Floating Rate Option is based on the London interbank offered rate (**LIBOR**), or on the Euro-zone interbank offered rate (**EURIBOR**), the first day of that Interest Period or (y) in any other case, as specified in the applicable Final Terms.

For purposes of this sub-paragraph, **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity**, **Reset Date** and **Euro-zone** have the meanings given to those terms in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (the **ISDA Definitions**) and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series.

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR or 11.00 a.m., Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the Specified Time the Fiscal Agent shall request the principal

London office of each of the Reference Banks (as defined below) to provide the Fiscal Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Fiscal Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer and the Fiscal Agent suitable for such purpose) informs the Fiscal Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) (or, as the case may be, the quotations of such bank or banks to the Fiscal Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Fiscal Agent or as specified in the applicable Final Terms.

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

(C) Other Determination

Where a manner of determination other than ISDA Determination or Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined in the manner so specified (including, if so specified, by reference to the Technical Annex to the Terms and Conditions).

(iii) *Minimum and/or Maximum Rate of Interest and/or Rate Multiplier*

Subject to the provisions of Condition 4(b)(ii)(A), if the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

If the applicable Final Terms specifies a Rate Multiplier for any Interest Period, then, the Rate of Interest in respect of any such Interest Period shall be multiplied by the relevant Rate Multiplier, subject always to the Minimum and/or Maximum Rate of Interest as described above.

If n/N or n_b/N_b is specified as the Rate Multiplier in the applicable Final Terms, the following definitions shall apply, unless otherwise specified in the applicable Final Terms:

n means the number of calendar days in the relevant Interest Period in respect of which the Benchmark was equal to or greater than the Lower Limit and equal to or lower than the Upper Limit, in each case as determined by the Calculation Agent.

N means the total number of calendar days within the relevant Interest Period.

n_b means the number of Business Days in the relevant Interest Period in respect of which the Benchmark was equal to or greater than the Lower Limit and equal to or lower than the Upper Limit, in each case as determined by the Calculation Agent.

N_b means the total number of Business Days within the relevant Interest Period.

Lower Limit means, in respect of the relevant Interest Period, the limit specified in the applicable Final Terms.

Benchmark means, in respect of any calendar day (in respect of the definition of **n**) or, as applicable, Business Day (in respect of the definition of **n_b**) of the relevant Interest Period, unless otherwise specified in the applicable Final Terms:

- if **USD-LIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “USD-LIBOR-BBA” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any

Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen LIBOR01 Page, USD-LIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “USD-LIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).

- if **GBP-LIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “GBP-LIBOR-BBA” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen LIBOR01 Page, GBP-LIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “GBP-LIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).
- if **EURIBOR** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “EUR-EURIBOR-Reuters” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date). If on any Benchmark Day, such rate does not appear on Reuters Screen EURIBOR01 Page, EURIBOR will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “EUR-EURIBOR-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).
- if **EUR-CMS** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “EUR-ISDA-EURIBOR Swap Rate-11:00” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without Reference to any Reset Date), and appearing on Reuters Screen ISDAFIX2 Page as at 11.00 a.m. (Frankfurt time) under the heading “EURIBOR BASIS – FRF” and above the caption “11:00 AM FRANKFURT”. If on any Benchmark Day, such rate does not appear on Reuters Screen ISDAFIX2 Page, EUR-CMS will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “EUR-Annual Swap Rate-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity specified in the applicable Final Terms (without reference to any Reset Date).
- if **USD-CMS** is specified as the applicable Benchmark in the Final Terms, the rate equal to the Floating Rate for such day that would be determined by the Calculation Agent under an interest rate swap transaction if it were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which the Floating Rate Option is “USD-ISDA-Swap Rate” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without Reference to any Reset Date), and appearing on Reuters Screen ISDAFIX1 Page as at 11.00 a.m. (New York time). If on any Benchmark day, such rate does not appear on Reuters Screen ISDAFIX1

Page, USD-CMS will be determined by the Calculation Agent as aforesaid in accordance with the Floating Rate Option “USD-CMS-Reference Banks” (as defined in the ISDA Definitions) for a period of the Designated Maturity as specified in the Final Terms (without reference to any Reset Date).

For the purposes hereof, (i) the value of the Benchmark on any calendar day of the relevant Interest Period which is not a Benchmark Day shall be deemed to be the value ascribed to the Benchmark on the first preceding Benchmark Day and (ii) the value of the Benchmark on each of the last four TARGET Business Days of any Interest Period shall be deemed to be the value ascribed to the Benchmark on the fifth TARGET Business Day (or the Benchmark Day immediately preceding such fifth TARGET Business Day if such fifth TARGET Business Day is not a Benchmark Day) preceding the Interest Payment Date relating to such Interest Period.

Benchmark Day means

- if the relevant Benchmark is USD-LIBOR or GBP-LIBOR, a day (other than a Saturday or Sunday) on which banks are open for business (including dealings in foreign exchange and deposit in USD) in London;
- if the relevant Benchmark is EURIBOR or EUR-CMS, a day (other than a Saturday or Sunday) on which the TARGET System is operating; and
- if the relevant Benchmark is USD-CMS, a day (other than a Saturday or Sunday) on which banks are open for business in New York.

Upper Limit means, in respect of the relevant Interest Period, the limit specified in the applicable Final Terms.

(iv) *Determination of Rate of Interest and calculation of Interest Amount*

The Fiscal Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of all other Variable Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of the latter, the Calculation Agent will notify the Fiscal Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same (but in no event later than the first Business Day after such calculation).

The Fiscal Agent will calculate the amount of interest (the **Interest Amount**) payable on the Variable Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit (defined below) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

(v) *Notification of Rate of Interest and Interest Amount*

The Fiscal Agent will cause the Rate of Interest and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor and any stock exchange on which the relevant Variable Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after the calculation or determination thereof (provided that, in the case of notification to any stock exchange, such notice will be given by no later than the first day of the relevant Interest Period or, if that is impossible due to the date fixed for such determination or calculation, as soon as practicable on or after such date). Each Interest Amount and Interest Payment Date so notified may subsequently be

amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Variable Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of these Conditions, the expression **Luxembourg Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in Luxembourg.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Calculation Agent (if applicable) the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or, if applicable, the Calculation Agent, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Zero Coupon Notes*

Where a Zero Coupon Note becomes due and repayable and is not paid when due, the amount due and repayable shall be the amount determined in accordance with Condition 6(g) and notified in accordance with Condition 4(b)(v), *mutatis mutandis*.

(d) *Physical Delivery Notes and Dual Currency Notes*

The rate or amount of interest payable in respect of Physical Delivery Notes or Dual Currency Notes shall be determined in the manner, and by the party, specified in the applicable Final Terms and notified in accordance with Condition 4(b)(v), *mutatis mutandis*.

(e) *Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and/or otherwise as specified in the applicable Final Terms.

(f) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal or the payment and/or delivery of the Physical Delivery Amount (where applicable) is improperly withheld or refused. In such event, interest will continue to be calculated and to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(g) *Deferral of Interest*

In the case of Undated Subordinated Notes, interest shall be payable on each Compulsory Interest Payment Date (as defined below) in respect of the interest accrued in the interest period ending on the day immediately preceding such date. On any Optional Interest Payment Date (as defined below) there may be paid (if Société Générale so elects) the interest accrued in the interest period ending on the day immediately preceding such date, but Société Générale shall not have any obligation to make such payment. Any interest not paid on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute **Arrears of Interest** which term shall include interest on such unpaid interest as referred to below. Arrears of Interest may, at the option of Société Générale, be paid in whole or in part at any time upon the expiration of not less than seven days' notice to such effect given to the Noteholders in accordance with Condition 14, but all Arrears of Interest on all Undated Subordinated Notes outstanding shall become due in full on whichever is the earliest of: (A) the interest payment date immediately following the date upon which a dividend is paid on any class of share capital of Société Générale, and (B) the commencement of a liquidation or dissolution of Société Générale. If notice is given by Société Générale of its intention to pay the whole or part of Arrears of Interest, Société Générale shall be obliged to do so upon the expiration of such notice. When Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest interest period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall (to the extent permitted by law) bear interest accruing and compounding on a daily basis at the prevailing rate of interest on the Undated Subordinated Notes in respect of each relevant interest period. For these purposes the following expressions have the following meanings:

Compulsory Interest Payment Date means any Interest Payment Date unless at the *Assemblée Générale* immediately preceding such date which was required to approve the annual accounts of Société Générale for the fiscal year ended prior to such *Assemblée Générale*, no resolution was passed to pay a dividend on any class of share capital of Société Générale in respect of such previous fiscal year.

(h) *Certain definitions relating to the calculation of interest*

Day Count Fraction means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms, subject to the terms of the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such

Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (ii) if **Actual/365** or **Actual/Actual** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (iii) if **Actual/365 (Fixed)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iv) if **Actual/365 (Sterling)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (vi) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms, 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 (unless (1) the last day of the Interest Period is the thirty-first day of a month but the first day of the Interest Period is a day other than the thirtieth or thirty-first day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (2) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (vii) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms, 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, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

Unless otherwise specified in the applicable Final Terms, the Day Count Fraction applicable to Floating Rate Notes denominated in euro shall be Actual/360.

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

Interest Period means, unless otherwise specified in the applicable Final Terms, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date or such other period as is specified in the applicable Final Terms.

Interest Rate_(i-1) means, in respect of an Interest Period, the Rate of Interest determined by the Calculation Agent in respect of the immediately preceding Interest Period. For the avoidance of doubt, Interest Rate_(i-1) is expressed as a rate per annum, unless otherwise specified in the Final Terms.

Issue Date means the date specified as such on the applicable Final Terms. On the Issue Date, the relevant clearing systems debit and credit accounts in accordance with instructions received by them.

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

Sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(i) *Rounding generally*

In connection with the calculation of any amount payable in respect of the Notes (including, without limitation, interest) and unless otherwise provided in these Terms and Conditions or in the applicable Final Terms, such amounts will, if necessary, be rounded to the nearest sub-unit (as defined above) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

5. Payments

For the purposes of this Condition 5, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to delivery of any Physical Delivery Amount(s).

(a) *Dematerialised Notes*

Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account (denominated in the relevant currency) of the relevant Euroclear France Account Holders for the benefit of the Noteholders and (in the case of Dematerialised Notes in fully registered form) to accounts (denominated in the relevant currency) with a Bank designated by the Noteholders. All payments validly made to such accounts of such Euroclear France Account Holders or Noteholders will be an effective discharge of the Issuer in respect of such payments.

(b) *Materialised Bearer Notes*

(i) *Method of payment*

Subject as provided below and, in the case of Physical Delivery Notes, subject also as provided in the applicable Final Terms:

- (A) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be an authorised foreign exchange bank) in the principal financial centre(s) of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney and, if the Specified Currency is Canadian dollars, shall be Montreal);
- (B) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (C) in the case of Physical Delivery Notes which are settled by way of delivery, on the due date for redemption, the relevant Issuer shall deliver, or procure the delivery of, the documents evidencing the number of, and/or constituting the, Underlying Assets plus/minus any amount due to/from the Noteholder deliverable in respect of each

Note (the **Physical Delivery Amount**) to or to the order of the Noteholder in accordance with the instructions of the Noteholder contained in the Transfer Notice (as defined below). The Physical Delivery Amount shall be evidenced in the manner described in the applicable Final Terms; and

- (D) in the case of Physical Delivery Notes, the applicable Final Terms may also contain provisions for variation of settlement pursuant to an option to such effect or where the relevant Issuer or the holder of a Physical Delivery Note (as the case may be) is not able to deliver, or take delivery of, (as the case may be) the Underlying Assets or where a Settlement Disruption Event (as described in the applicable Final Terms) has occurred, all as provided in the applicable Final Terms.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

(ii) *Presentation of Definitive Materialised Bearer Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Materialised Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of such Notes, and payments of interest in respect of Definitive Materialised Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)). Payments under paragraph (i) above made, at the option of the bearer of such Note or Coupon, by cheque shall be mailed or delivered to an address outside the United States furnished by such bearer. Subject to any applicable laws and regulations, such payments made by transfer will be made in immediately available funds to an account maintained by the payee with a bank located outside the United States. No payment in respect of any definitive Note or Coupon will be made upon presentation of such definitive Note or Coupon at any office or agency of the Issuer, the Guarantor or any paying agent in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States.

Payments of instalments of principal (if any) in respect of Definitive Materialised Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (i) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the Definitive Materialised Bearer Note to which they appertain do not constitute valid obligations of the Issuer.

Upon the date upon which any Definitive Materialised Bearer Note becomes due and repayable, unmaturing Receipts (if any) relating thereto (whether or not attached) shall become void and no payment will be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes, Index Linked Notes or Physical Delivery Notes) should be presented for payment together with all unmaturing

Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Physical Delivery Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any Floating Rate Note, Dual Currency Note, Index Linked Note or Physical Delivery Note which is settled by way of cash is presented for redemption without all unmatured Coupons appertaining thereto, payment of all amounts due in relation to such Note shall be made only against the provision of such indemnity as the relevant Issuer and (if applicable) the Guarantor may decide.

If the due date for redemption of any Definitive Materialised Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Materialised Bearer Note.

(c) *Payments Subject to Fiscal Laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Payment Business Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Business Day, the holder thereof shall instead be entitled to payment: (i) on the next following Payment Business Day in the relevant place, if “Following Payment Business Day” is specified in the applicable Final Terms; or (ii) on the next following Payment Business Day in the relevant place, unless the date for payment would thereby fall into the next calendar month, in which event such date for payment shall be brought forward to the immediately preceding Payment Business Day in the relevant place, if “Modified Following Payment Business Day” is specified in the applicable Final Terms; provided that if neither “Following Payment Business Day” nor “Modified Following Payment Business Day” is specified in the applicable Final Terms, “Following Payment Business Day” shall be deemed to apply. In the event that any adjustment is made to the date for payment in accordance with this Condition 5(d), the relevant amount due in respect of any Note, Receipt or Coupon shall not be affected by any such adjustment. For these purposes, unless otherwise specified in the applicable Final Terms, **Payment Business Day** means a day (other than a Saturday or a Sunday) (A) (i) in the case of

Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) in such jurisdictions as shall be specified as **Additional Financial Centres** in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in euro, on which the TARGET System is open.

(e) *Bank*

For the purpose of this Condition 5, **Bank** means a bank in the principal financial centre of the relevant currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(f) *Physical Delivery Notes*

The applicable Final Terms will contain provisions relating to the procedure for the delivery of any Physical Delivery Amount in respect of Physical Delivery Notes (including, without limitation, liability for the costs of transfer of Underlying Assets).

The Underlying Assets will be delivered at the risk of the relevant Noteholder in such manner as may be specified in the transfer notice pursuant to which such Underlying Assets are delivered (the **Transfer Notice**, the form of which is annexed to the French Law Agency Agreement) and, notwithstanding Condition 4(b) above, no additional payment or delivery will be due to a Noteholder where any Underlying Assets are delivered after their due date in circumstances beyond the control of either the relevant Issuer or the Settlement Agent.

Any delivery of Underlying Assets will only be made in compliance with applicable securities laws.

(g) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(g)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest

under Condition 7. Any reference in these Terms and Conditions to “interest accrued” or “accrued interest” shall be deemed to include any Arrears of Interest suspended as provided in Condition 4(g).

In the case of Physical Delivery Notes, references in these Terms and Conditions to principal and/or interest and Physical Delivery Amount(s) shall mean such amount less any expenses, fees, stamp duty, levies or other amounts payable on or in respect of the relevant Physical Delivery Amount(s).

(h) *Currency unavailability*

This paragraph shall apply when payment is due to be made in respect of any Note, Receipt or Coupon in the Specified Currency (other than where the Specified Currency is euro) and the Specified Currency is not available to the Issuer or the Guarantor (as applicable) due to the imposition of exchange controls, the Specified Currency's replacement or disuse or other circumstances beyond the control of the Issuer or the Guarantor (as applicable) (**Currency Unavailability**). In the event of Currency Unavailability, the Issuer or the Guarantor (as applicable) will be entitled to satisfy its obligations to the holder of such Note, Receipt or Coupon by making payment in euro on the basis of the spot exchange rate at which the Specified Currency is offered in exchange for euro in an appropriate inter-bank market at noon, Paris time, four Business Days prior to the date on which payment is due or, if such spot exchange rate is not available on that date, as of the most recent prior practicable date. Any payment made in euro in accordance with this paragraph will not constitute an Event of Default.

6. Redemption and Purchase

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms and, if so specified, by reference to the Technical Annex to these Terms and Conditions (or, in the case only of Physical Delivery Notes where the applicable Final Terms specifies that such Notes will be redeemed by payment and/or delivery of a Physical Delivery Amount, by the payment and the delivery of the Physical Delivery Amount specified in, or determined in the manner specified in, the applicable Final Terms) in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer or, as the case may be, the Guarantor in whole, but not in part, at any time (in the case of the Notes other than Floating Rate Notes or any other interest bearing Notes in respect of which the Rate of Interest is not calculated on a fixed rate basis (**Variable Interest Notes**)) or on any Interest Payment Date (in the case of Floating Rate Notes or Variable Interest Notes) but subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, on giving not less than 30 nor more than 45 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (i) immediately prior to the giving of such notice the Issuer or the Guarantor has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and

- (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph 6(g) below together (if appropriate) with accrued interest to (but excluding) the date of redemption.

(c) *Special Tax Redemption*

If the Issuer or, as the case may be, the Guarantor would, on the occasion of the next payment of principal or interest in respect of the Notes, be prevented by the law of a Tax Jurisdiction from causing payment to be made to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7(b), then the Issuer or the Guarantor, as the case may be, shall forthwith give notice of such fact to the Fiscal Agent and the Issuer or the Guarantor, as the case may be, shall, subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, upon giving not less than seven nor more than 45 days' prior notice to the Noteholders in accordance with Condition 14, forthwith redeem all, but not some only, of the Notes at their Early Redemption Amount, together, if appropriate, with accrued interest, on the latest practicable Interest Payment Date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of:

- (i) the latest practicable date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes; and
- (ii) 14 days after giving notice to the Fiscal Agent as aforesaid.

(d) *Final Terms*

The Final Terms applicable to the Notes indicate either:

- (i) that the Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraphs (b) and (c) above and in Condition 9); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date in accordance with the provisions of paragraphs (e) and/or (f) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(e) *Redemption at the Option of the Issuer*

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, subject, in the case of Subordinated Notes, to the prior written approval of the *Secrétariat général de la Commission bancaire* in France, having (unless otherwise specified in the applicable Final Terms) given not less than 30 nor more than 45 days' notice, in accordance with Condition 14, to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all of the Notes (in whole or in part) or some only of the Notes then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if

appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms.

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

In the case of a redemption of some Materialised Notes only, the notice to holders of such Materialised Notes shall also contain the serial numbers of the Definitive Materialised Bearer Notes to be redeemed which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with article R. 213-16 of the *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and stock exchange requirements.

In respect of any Note, any notice given by the Issuer pursuant to this Condition 6(e) shall be void and of no effect in relation to that Note in the event that, prior to the giving of such notice by the Issuer, the holder of such Note had already delivered a Put Notice in relation to that Note in accordance with Condition 6(f).

In the case of Subordinated Notes which constitute Tier 2 Capital, the Optional Redemption Date may only occur on or after the fifth anniversary of the Issue Date of such Notes.

(f) *Redemption at the Option of the Noteholders*

In the case of Subordinated Notes, there will be no redemption at the option of the Noteholders.

If the Noteholders are specified in the applicable Final Terms as having an option to require the Issuer to redeem any Note, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an option to require the Issuer to redeem any Note can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of a Note the Noteholder must, if the Note is a Materialised Bearer Note or a Dematerialised Note and is held outside a Clearing System, deposit with any Paying Agent at its specified office a duly completed option exercise notice (the **Put Notice**) in the form obtained from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Bearer Notes, the Put Notice shall have attached to it such Note(s) (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent specified in the Put Notice.

If the Note is a Materialised Bearer Note and is held through a Clearing System, to exercise the right to require redemption of the Note, the Noteholder must, within the notice period, give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of the Clearing System (which may include notice being given on his instruction by such Clearing System or any common depositary for them to the Fiscal Agent by electronic means) in a form acceptable to such Clearing System from time to time and, if this Note is represented by a temporary global certificate (as prescribed in the French Law Agency Agreement), at the same time present or procure the presentation of such temporary global certificate to the Fiscal Agent for notation accordingly.

Notwithstanding the foregoing, the right to require redemption of such Notes in accordance with this Condition 6(f) must be exercised in accordance with the rules and procedures of the Clearing System and if there is any inconsistency between the above and the rules and procedures of the relevant Clearing System, then the rules and procedures of the relevant Clearing System shall prevail.

For the purposes of this Condition, **Clearing System** shall mean Euroclear France, Euroclear, Clearstream, Luxembourg and/or any other clearing system or institution through which the Notes are held for the time being and such shall include (where appropriate) any relevant central securities depository relating thereto.

Any Put Notice given by a holder of any Note pursuant to this paragraph (f) shall be:

- (i) irrevocable except where prior to the due date of redemption an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (f) and instead to declare such Note forthwith due and payable pursuant to Condition 9; and
- (ii) void and of no effect in relation to such Note in the event that, prior to the giving of such Put Notice by the relevant holder (A) the Issuer had notified the Noteholders of its intention to effect a partial redemption of the Notes in a Series and such Note had been selected for redemption (including, without limitation, pursuant to the partial reduction in the nominal amount of all Notes in a Series or the redemption in full some only of the Notes in a Series), or (B) the Issuer had notified the Noteholders of its intention to redeem all of the Notes in a Series then outstanding, in each case to Condition 6(e).

(g) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, unless otherwise specified in the applicable Final Terms, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (iii) in the case of Physical Delivery Notes, as determined in the manner specified in the applicable Final Terms; or

- (iv) in the case of Zero Coupon Notes, at an amount (the **Amortised Face Amount**) equal to the sum of:
 - (A) the Reference Price specified in the applicable Final Terms; and
 - (B) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.
- (v) if **Market Value** is specified in the applicable Final Terms as the Early Redemption Amount, at an amount determined by the Calculation Agent, which, on the due date for the redemption of the Note, shall represent the fair market value of the Notes and shall have the effect (after taking into account the costs of unwinding any hedging arrangements entered into in respect of the Notes) of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make the payments in respect of the Notes which would, but for such early redemption, have fallen due after the relevant early redemption date. In respect of Notes bearing interest, notwithstanding the last sentence of Condition 6(b), the ninth line of Condition 6(c) and the first paragraph of Condition 9, the Early Redemption Amount, as determined by the Calculation Agent in accordance with this paragraph shall include any accrued interest to (but excluding) the relevant early redemption date and apart from any such interest included in the Early Redemption amount, no interest, accrued or otherwise, or any other amount whatsoever will be payable by the Issuer or, as the case may be, the Guarantor in respect of such redemption.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of the Day Count Fraction, if applicable, specified in the applicable Final Terms.

(h) *Instalments*

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (g) above.

(i) *Partly Paid Notes*

If the Notes are Partly Paid Notes:

- (i) they will be subscribed at the Part Payment Amounts and on the Part Payment Dates specified in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms, the obligation to pay a Part Payment Amount on the relevant Part Payment Date is only incurred by the holders of the Notes on such Part Payment Date;
- (ii) unless otherwise specified in the applicable Final Terms, they will be redeemed on the Maturity Date at their nominal amount and on any Optional Redemption Date at their paid-up nominal amount as at the date fixed for redemption;
- (iii) unless otherwise specified in the applicable Final Terms, in the event that any Noteholder fails to pay a Part Payment Amount on the relevant Part Payment Date (such date a **Part Payment Default Date**), any such Notes held by such Noteholder shall automatically be redeemed on the relevant Early Redemption Date, at the Settlement Amount.

For the purposes of this Condition 6(i) and unless otherwise specified in the applicable Final Terms:

Early Redemption Date means, in respect of any Note, the seventh Payment Business Day following a Part Payment Default Date;

Settlement Amount means, in respect of any Note, an amount determined by the Calculation Agent in accordance with the following formula:

Max [0; [Paid-up Nominal Amount – Hedging Arrangements]]

where:

Hedging Arrangements means the pro-rata share, in respect of each Note, of the costs of unwinding all hedging arrangements (taking into account the present value of any Part Payment Amount(s) remaining to be paid in respect of the Notes) entered into or purchased by the Issuer and/or the Guarantor in respect of the Notes;

Paid-up Nominal Amount means, in respect of any Part Payment Date, the paid-up nominal amount of the relevant Note up to (and including) the applicable Part Payment Date. Interest will neither accrue nor be payable in respect of the period from and including the applicable Part Payment Default Date to and including the applicable Early Redemption Date.

(j) *Purchases*

The Issuer or the Guarantor (if applicable) may, subject as provided in the next paragraph, at any time purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise, in accordance with applicable laws and regulations. In the case of Notes issued by Société Générale, Notes purchased by or on behalf of the Issuer, will be surrendered to a Paying Agent for cancellation (together with any unmatured Receipts and Coupons appertaining thereto).

In the case of Subordinated Notes, Société Générale may at any time purchase such Notes, provided that the prior written approval of the *Secrétariat général de la Commission bancaire* in France shall be obtained (i) if the total principal amount of the Notes so purchased exceeds 10 per cent. of the initial aggregate principal amount of the Notes and (ii) in the case of an *offre publique d'achat* (cash take-over bid) or an *offre publique d'échange* (paper take-over bid).

(k) *Cancellation*

All Notes purchased by or on behalf of the Issuer must be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to a Paying Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(l) *Late Payment on Zero Coupon Notes*

Except as provided in the applicable Final Terms, if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note, pursuant to paragraph (a), (b), (c), (e) or (f) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iv) above as though the references therein to the date fixed for the redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(m) *Redemption of Materialised Notes*

Notwithstanding the foregoing provisions of this Condition, the redemption of Materialised Notes may be subject to certain special restrictions and procedures, as set out in the applicable Final Terms.

7. Taxation

(a) In the case of Notes issued by Société Générale and SG Option Europe, interest and other revenues with respect to Notes (and any Coupons appertaining thereto) that constitute “*obligations*” under French law and that are issued (or deemed to be issued) outside France according to the Circular of the *Direction générale des impôts* dated 30 September 1998, as amended, replaced or updated from time to time, benefit from the exemption from deduction of tax at source provided for in article 131 *quater* of the *Code général des impôts* (French General Tax Code). Accordingly, such payments do not give the right to any tax credit from any French source.

(b) In the case of Notes issued by Société Générale or SG Options Europe and in either case benefiting from the exemption provided for in article 131 *quater* of the *Code général des impôts* as mentioned above or Notes issued by SGA Société Générale Acceptance N.V., all payments in respect of Notes, Receipts and Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall, to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (i) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands Antilles (in the case of payments by SGA Société Générale Acceptance N.V.) or France (in the case of payments by Société Générale or SG Option Europe) other than by the mere holding of such Note, Receipt or Coupon; or
- (ii) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Business Day (as defined in Condition 5(d)); or

- (iii) in respect of an issue of Notes which have been privately placed, if the applicable Final Terms indicate that no such additional amounts shall be payable; or
- (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law (whether in or outside the European Union) implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein:

- (A) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by Société Générale in its capacity as Issuer or Guarantor or by SG Option Europe), the Netherlands Antilles or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by SGA Société Générale Acceptance N.V.); and
- (B) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal Agent (or, in the case of Materialised Notes, the holders of such Materialised Notes) on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

8. Prescription

The Notes, Receipts (which for this purpose shall not include Talons) and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor, except as provided in the applicable Final Terms.

9. Events of Default

In the case of Notes issued by SGA Société Générale Acceptance N.V. and SG Option Europe, the holder of any Note may give written notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its Early Redemption Amount, together, if appropriate, with interest accrued to the date of repayment, if any of the following events (each an **Event of Default**) shall occur:

- (a) the Issuer is in default for any reason whatsoever with respect to the payment of interest or principal when due or the delivery of Underlying Assets deliverable in respect of the Notes, which default, in the case of any interest payment, has continued for more than 14 days unless the Guarantor shall have remedied such default before the expiry of such period and save that late delivery of any Underlying Assets in the circumstances referred to in Condition 5(f) shall not constitute an Event of Default hereunder; or
- (b) the Issuer is in default in the performance of any other obligation under these Terms and Conditions and, if such default is capable of being remedied by the Issuer or the Guarantor, such default has not been so remedied within 30 days after written notification from any Noteholder requiring such default to be remedied has been given to the Issuer; or

- (c) the Issuer is in default under any bond, debenture, note or other evidence of indebtedness (including indebtedness arising under a guarantee) for money borrowed or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Issuer, whether such indebtedness now exists or is hereafter incurred, which has resulted in such indebtedness becoming or being declared due and payable, prior to the date on which it would otherwise have become due and payable, or any such indebtedness is not paid at the stated maturity thereof and such failure to pay continues beyond the grace period, if any, applicable thereto (except, in any of the foregoing cases, where the obligation to pay such indebtedness is being disputed in good faith); or
- (d) the Issuer is adjudicated or found bankrupt or insolvent, or suspends payment, or any order or action is made or taken by any competent court or administrative agency (including, without limitation, in the case of SG Option Europe only, in relation to any protection proceedings, judicial rehabilitation or judicial liquidation), or any resolution is passed by the Issuer, to apply for judicial composition proceedings with its creditors or, in the case of SG Option Europe only, to apply for protection proceedings, judicial rehabilitation, judicial liquidation or voluntary liquidation or for the appointment of a receiver or trustee or other similar official in insolvency proceedings in relation to the Issuer or a substantial part of its assets, or the Issuer is wound up or dissolved; or
- (e) the Guarantee ceases to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or notice is given by the Guarantor which would cause the Guarantee to cease to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Notes, the Receipts or the Coupons, or terminate or amend the same in a manner materially adverse to the interests of the Noteholders, the Receiptholders or the Couponholders, or the Guarantor is unable to perform its obligations thereunder for any reason.

10. Replacement of Notes, Receipts, Coupons and Talons

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations at the specified office of the Fiscal Agent, in each case on payment by the claimant of the costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons or further Coupons) and otherwise as the Issuer may reasonably require. Mutilated or defaced Definitive Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

11. Fiscal Agent and Paying Agents

The names of the initial Fiscal Agent and the other initial Paying Agent and their initial specified offices are set out below (except with respect to Materialised Notes). In addition, the Fiscal Agent may (with the prior written consent of the relevant Issuer) delegate certain of its functions and duties in relation to Physical Delivery Notes to a settlement agent (the **Settlement Agent**).

The Issuer and the Guarantor are entitled to vary or terminate the appointment of any Paying Agent or Settlement Agent and/or appoint additional or other Paying Agents or Settlement Agents and/or approve any change in the specified office through which any Paying Agent or Settlement Agent acts, provided that (except with respect to Materialised Notes):

- (a) so long as any Notes are listed on any stock exchange or admitted to trading or listing by any other relevant authority, there will at all times be a Paying Agent (which may be the Fiscal Agent) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (b) there will at all times be a Paying Agent (which may be the Fiscal Agent) with a specified office in a city in continental Europe;
- (c) in the case of Dematerialised Notes in fully registered form, a Registration Agent;
- (d) there will at all time be a Paying Agent in a Member State of the European Union (a **Member State**) that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive (any such Directive or law, an **EU Savings Directive Tax Law**) to the extent that any Member State does not maintain any obligation to so withhold or deduct pursuant to any EU Savings Directive Tax Law; and
- (e) there will at all times be a Fiscal Agent.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 or more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet issued in respect of any Materialised Bearer Note, matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

13. Representation of Noteholders

Except as otherwise provided by the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (in each case, the **Masse**).

The Masse will be governed by the provisions of the French *Code de Commerce* with the exception of articles L. 228-48 and L. 228-59 and by the decree no. 67-236 of 23 March 1967, with the exception of articles 218, 222 and 224 subject to the following provisions:

- (a) *Legal Personality*

The Masse will be a separate legal entity and will act in part through a representative (the **Representative**) and in part through a general meeting of the Noteholders (the **General Meeting**).

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.

(b) *Representative*

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

- (i) the Issuer, the members of its Supervisory Board (*Commission de Surveillance*), its general manager (*directeur général*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers, members of their Board of Directors (*Conseil d'administration*), Management Board (*Directoire* or *Comité de Direction*), or Supervisory Board (*Conseil de surveillance* or *Commission de Surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) 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
- (iv) 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 names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

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

(c) *Powers of Representative*

The Representative shall have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) *General Meeting*

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such request, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 14.

Each Noteholder has the right to participate in a General Meeting in person or by proxy. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) *Powers of the General Meetings*

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and to 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 (in legal proceedings) as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions 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 the General Meeting may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth of the principal amount of the Notes at such time outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Noteholders attending such General Meetings or represented thereat.

Decisions of General Meetings must be published in accordance with the provisions in Condition 14.

(f) *Information to Noteholders*

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, 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 Meeting, all of which will be available for inspection by the relevant Noteholders at the principal office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(g) *Expenses*

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) *Single Masse*

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of another Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Series of Notes issued will be the Representative of the single Masse of all such Series.

14. Notices

(a) Subject as provided in Condition 14(c) below, all notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form shall be deemed to be validly given if published in:

- (i) a leading English language daily newspaper of general circulation in Europe; and
- (ii) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website, www.bourse.lu.

It is expected that any such publication in a newspaper will be made in the *Financial Times* in Europe and in the *d'Wort* or the *Tageblatt* in Luxembourg. Notices will be deemed to have been given on the date of the first publication in such newspapers.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices given to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (irrespective of how given) shall also be delivered in writing to:

- (i) Euroclear France, Euroclear and/or Clearstream, Luxembourg; and
- (ii) in the case of Notes listed on a stock exchange or admitted to trading by another relevant authority, to the relevant stock exchange or authority.

- (b) Subject as provided in Condition 14(c) below, all notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be deemed to be validly given if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*).
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15(a) and (b) above; except that notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 13 shall also be published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*).

15. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes ranking *pari passu* in all respects and on the same Terms and Conditions (save for their Issue Date, Interest Commencement Date, Issue Price and/or the amount and date of the first payment of interest thereon), and so that the same shall be consolidated and form a single series with, the outstanding Notes.

16. Adjustments and Disruption

In the case of Physical Delivery Notes and Index Linked Notes, the applicable Final Terms and (if applicable) a Supplement to this Debt Issuance Programme Prospectus will (where applicable) contain provisions relating to adjustments with respect to Underlying Assets, any underlying index or indices, settlement disruption and market disruption (including, without limitation and where necessary, appropriate definitions of **Potential Adjustment Events**, **Settlement Disruption Events** and **Market Disruption Events** and details of the consequences of such events), except that for Physical Delivery Notes or Index Linked Notes that are Equity Linked Notes, Commodity Linked Notes, Credit Linked Notes or Managed Assets Portfolio Linked Notes such adjustments with respect to the underlying, and any settlement disruption or market disruption, shall be subject to the provisions of the Technical Annex, unless otherwise provided in the applicable Final Terms.

17. Modifications of the Terms and Conditions of the Notes

The Issuer together with all relevant Purchasers of any Tranche of Notes to be issued under the Programme may agree, in relation to such Tranche of Notes, to vary, amend and/or supplement these Terms and Conditions, such changes (where applicable) to be set forth prior to the Issue Date in the applicable Final Terms to the Tranche of Notes or in an annex or schedule to such Final Terms.

18. Governing Law and Submission to Jurisdiction

The French Law Agency Agreement, the Notes, the Receipts, the Coupons are governed by, and shall be construed in accordance with, French law. The Guarantee is governed by, and shall be construed in accordance with English law.

Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons and the French Law Agency Agreement may exclusively be brought before the competent courts in Paris.

TECHNICAL ANNEX

The following shall, if stated to be applicable in the applicable Final Terms, form part of the Terms and Conditions of the Notes.

The payment of principal and/or interest in respect of the Notes subject to the Technical Annex will be determined or calculated by reference to an index and/or a formula based on or referring to one or more “underlying” (for the purposes of this Technical Annex, **Underlying** shall mean such index, formula or other underlying (or, if applicable, **Basket** of several such underlyings) as is specified in the applicable Final Terms).

An Underlying may be, without limitation, a share in a company, any other equity or non-equity security, a currency or currency exchange rate, an interest rate, a dividend, a credit risk, a fund unit, a share of an investment company, a term deposit, a life insurance contract, a loan, a commodity, a futures contract, a unit linked feature (accounting unit), an event not linked to the Issuer or the Guarantor or any other factor, a basket thereof or any combination thereof, each as specified in the applicable Final Terms.

This Technical Annex contains technical provisions relating, *inter alia*, to the adjustments to be made by the Calculation Agent or to the way a market disruption event that may affect an Underlying will be treated in the context of the Notes, or to mathematical formulas used to calculate amounts due under the Notes when the Underlying is an index, a share or a fund unit or a share of an investment company or an American depositary receipt or a dividend or a commodity or a credit risk or a non-equity security.

The technical provisions relating to the other types of Underlying mentioned above shall be set out in the Final Terms applicable to the relevant Notes.

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I. Common definitions and provisions for Shares, American Depositary Receipts, Indices and Dividends

Averaging Date means, in respect of a Valuation Date and a Share, an ADR or an Index, each date specified as such in the applicable Final Terms for the purpose of determining an average (or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

Business Day means a “Business Day” as defined in Condition 4(b)(i) determined on the basis of the Specified Currency of the relevant Notes.

Closing Price means:

- (i) in respect of a Share:
 - (A) if such Share is traded on the Tokyo Stock Exchange or the Osaka Securities Exchange, the last traded price of such Share for the day quoted by the Exchange, provided however, that if there is a closing special quote on such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Closing Price;
 - (B) if such Share is traded on the Italian Stock Exchange, the *Prezzo di Riferimento*, which means the price as published by the Italian Stock Exchange at the close of trading and having the meaning ascribed thereto in the Rules of the Markets Organised and Managed by the Italian Exchange, as such Rules may be amended by Borsa Italiana S.p.a. from time to time;
 - (C) in any other case, the official closing price of such Share on the relevant Exchange.
 - (ii) in respect of an Index, the official closing level of the Index published and announced by the Index Sponsor,
 - (iii) in respect of an ADR, the official closing price of such ADR on the relevant Exchange.
- in any case as adjusted (if applicable) pursuant to the provisions of Part 2 below.

Company means, in respect of a Share, the issuer of such Share and, in respect of an ADR, the issuer of the Deposited Securities related to such ADR.

Consequences of Disrupted Days for a Share, an ADR or an Index

If any Valuation Date or Averaging Date specified in the Final Terms (the **Scheduled Valuation Date** and the **Scheduled Averaging Date** respectively), is a Disrupted Day for a Share, an ADR or an Index (the **Affected Share**, the **Affected ADR** or the **Affected Index**, respectively), the Valuation Date or the Averaging Date for each Share, ADR or Index not affected by a Disrupted Day shall be the Scheduled Valuation Date or the Scheduled Averaging Date, and the Valuation Date or the Averaging Date for each Affected Share, each Affected ADR or each Affected Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of that Affected Share, Affected ADR or Affected Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date or the Scheduled Averaging Date is also a Disrupted Day. In that case:

- (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date or Averaging Date, for the Affected Share, Affected ADR or Affected Index notwithstanding the fact that such day is a Disrupted Day , and
- (ii) the Calculation Agent shall determine (a) in respect of a Share or an ADR, its good faith estimate of the value of the Share or ADR as of the Valuation Time on that eighth Scheduled Trading Day or (b) in respect of an Index, the level of the Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value of the relevant security as of the Valuation Time on that eighth Scheduled Trading Day) and the good faith estimate of the value of the Share or ADR or the level of the Index so calculated shall be deemed the Closing Price;

provided however that,

- (A) if a Scheduled Averaging Date is a Disrupted Day, the Averaging Date shall be postponed pursuant to the provisions above to the first succeeding Scheduled Trading Day that is not a Disrupted Day provided it is not also a Scheduled Averaging Date; if on the eighth Scheduled Trading Day following the Scheduled Averaging Date a Scheduled Trading Day that is not a Disrupted Day nor another Scheduled Averaging Date has not occurred, then that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is also a Scheduled Averaging Date), and the Calculation Agent shall make on that day the determinations described in (ii) above, and the good faith estimate of the value of the Share or ADR or the level of the Index so calculated shall be deemed the Closing Price;
- (B) notwithstanding the foregoing,
 - in respect of any Notes except Uncertificated Notes, a Valuation Date or an Averaging Date (postponed as the case may be pursuant to the provisions above) shall occur not later than the fourth Business Day before the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date; if a Valuation Date or an Averaging Date (postponed as the case may be pursuant to the provisions above) would fall less than the fourth Business Day prior to the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date, then that fourth Business Day shall be deemed the Valuation Date or Averaging Date and the Calculation Agent shall make, on that day the determinations described in (ii) above at the latest as of the Valuation Time on such fourth Business Day and the good faith estimate of the value of the Share or ADR or the level of the Index so calculated shall be deemed the Closing Price.
 - in respect of Uncertificated Notes issued, cleared and settled through VPC, APK or the Vaerdipapircentralen (VP), a Valuation Date or an Averaging Date (postponed as the case may be pursuant to the provisions above) shall occur not later than the twelfth Business Day before the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date; if a Valuation Date or an Averaging Date (postponed as the case may be pursuant to the provisions above) would fall less than the twelfth Business Day prior to the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date, then that twelfth Business Day shall be deemed the Valuation Date or Averaging Date and the Calculation Agent shall make, on that day the determinations described in (ii) above at the latest as of the Valuation Time on such twelfth Business Day and the good faith estimate of the value of the Share or ADR or the level of the Index so calculated shall be deemed the Closing Price.
 - in respect of Uncertificated Notes issued, cleared and settled through the Norwegian Central Security Depository (VPS) , a Valuation Date or an Averaging Date (postponed as the case

may be pursuant to the provisions above) shall occur not later than the tenth Business Day before the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date; if a Valuation Date or an Averaging Date (postponed as the case may be pursuant to the provisions above) would fall less than the tenth Business Day prior to the date of any payment to be made under the Notes on the basis of determinations made on such Valuation Date or Averaging Date, then that tenth Business Day shall be deemed the Valuation Date or Averaging Date and the Calculation Agent shall make, on that day the determinations described in (ii) above at the latest as of the Valuation Time on such tenth Business Day and the good faith estimate of the value of the Share or ADR or the level of the Index so calculated shall be deemed the Closing Price.

Exchange(s) means, in respect of a Share, an ADR or an Index, the corresponding exchange or quotation system specified in the applicable Final Terms, or any successor exchange or quotation system or any substitute exchange or quotation system to which trading in the Share, ADR or Shares underlying an Index, has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share, ADR or Shares underlying an Index, on such temporary substitute exchange or quotation system as on the original Exchange). In respect of Deposited Securities, **Exchange** means the primary exchange or market of trading of such Deposited Securities.

Fx Rate means, in respect of a date, the currency exchange rate of one currency against another currency, as specified in the Final Terms, quoted by the relevant exchange rate provider on such date, as ascertained by the Calculation Agent on the Reuters Page specified in the Final Terms. If such Fx Rate cannot be or ceases to be determined, then the Calculation Agent shall select another Reuters page or determine in good faith such exchange rate by reference to such sources as it may select in its absolute discretion.

Index means an index the name of which appears in the applicable Final Terms, subject to adjustment pursuant to the provisions of “Adjustments to Indices” (below).

Index Sponsor means the corporation or other entity (as specified in the applicable Final Terms) that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Exchange Business Day.

Market Disruption Event means in respect of a Share or an Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption which, in either case, the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure.

Trading Disruption means in respect of a Share or an Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Share on the Exchange or, in the case of an Index, the relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index or (ii) in futures or options contracts relating to the Share or the relevant Index on any relevant Related Exchange.

Exchange Disruption means in respect of a Share or an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Share on the Exchange, or, in the case of an Index, on any relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share or the relevant Index on any relevant Related Exchange.

Early Closure means the closure on any Exchange Business Day of (i) (a) in the case of a Share, the relevant Exchange, or (b) in the case of an Index any relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index, or (ii) any Related Exchange, prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (x) the actual closing time for the regular trading session on such Exchange or

Related Exchange (as the case may be) on such Exchange Business Day and (y) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

Related Exchange(s) means, in respect of a Share, an ADR or an Index (and, in the case the Underlying is an ADR, the Deposited Securities), each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures and options contracts relating to such Share, ADR, Index or Deposited Securities, any successor exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to a Share, ADR, Index or Deposited Security, has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating such Share, ADR, Index or Deposited Security, on such temporary substitute exchange or quotation system as on the original Related Exchange).

Valuation Date means, in respect of a Share, an ADR or an Index, each date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day for such Share, ADR or Index, the next following Scheduled Trading Day), unless such day is a Disrupted Day in which case it shall be postponed pursuant to the provisions of Consequence of Disrupted Days for a Share, an ADR or an Index.

Valuation Time means in respect of a Share, an ADR or an Index, the Scheduled Closing Time provided however that if the Exchange closes prior to its Scheduled Closing Time, the Valuation Time shall be the actual closing time of the Exchange.

In the event that the Underlying is in the form of an ADR issued pursuant to a Deposit Agreement (i) references to **Share** in the definitions of **Market Disruption Event**, **Trading Disruption**, **Exchange Disruption** and **Early Closure** above refer both to the ADRs and to the Deposited Securities relating such ADRs, and (ii) references to Exchange and Related Exchange in these definitions refer to such exchanges as they relate to both the ADRs and to the Deposited Securities relating to such ADRs. For the avoidance of doubt, a Disrupted Day will be deemed to have occurred with respect to an ADR if a Disrupted Day has occurred with respect to the related Deposited Securities

II. Definitions specific to Shares and American Depositary Receipts

ADR means an American Depositary Receipt relating to shares issued by a Company, as specified in the applicable Final Terms, subject to adjustment pursuant to the provisions of “Adjustment and Extraordinary Events Relating to Shares and ADRs” below. An ADR is a receipt evidencing Deposited Securities.

ADR Intraday Price means, in respect of an ADR, the price of such ADR on the relevant Exchange at any time during a trading session on an Exchange Business Day, including the Closing Price.

Deposit Agreement means the deposit agreement between the Company that has issued the shares that are Deposited Securities and the Depositary pursuant to which an ADR was issued.

Depositary means, the depositary appointed in the Deposit Agreement or any successor to it from time to time in such capacity.

Deposited Securities means the shares issued by a Company held by the Depositary under the Deposit Agreement pursuant to which an ADR evidencing such Deposited Securities was issued.

Disrupted Day means in respect of a Share or an ADR, any Scheduled Trading Day (a) on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or (b) on which a Market Disruption Event has occurred.

Exchange Business Day means in respect of a Share or an ADR, (or, if applicable, each Share or ADR comprised in the Basket and observed separately (in the case of a Basket of Shares or ADRs)) any Scheduled Trading Day on which each relevant Exchange and Related Exchange are open for trading during their

respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

Scheduled Closing Time means, in respect of an Exchange or Related Exchange, the scheduled weekday closing time of such Exchange or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Trading Day means in respect of a Share or an ADR, any day on which each Exchange and each Related Exchange, if any, are scheduled to be open for trading for their respective regular trading session.

Share(s) means a share of the Company the name of which appears in the applicable Final Terms, subject to adjustment pursuant to the provisions of “*Adjustments and Extraordinary Events relating to Shares and American Depositary Receipts*” (below).

Share Intraday Price means in respect of a Share, the price of such Share on the relevant Exchange at any time during a trading session on an Exchange Business Day, including the Closing Price.

III. Definitions specific to Indices

Disrupted Day means in respect of an Index, any Scheduled Trading Day (a) on which a relevant Related Exchange fails to open for trading during its regular trading session, (b) on which a Market Disruption Event has occurred or (c) on which the Index Sponsor fails to publish the Closing Price of the Index.

Exchange Business Day means in respect of an Index (or, if applicable, each Index comprised in the Basket and observed separately (in the case of a Basket of Indices)), any Scheduled Trading Day on which the relevant Related Exchange of the Index is open for trading during its respective regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time and the Index Sponsor publishes the Closing Price of such Index.

Index Intraday Price means in respect of an Index, the level of such Index on the relevant Exchange at any time during a trading session on an Exchange Business Day including the Closing Price.

Scheduled Closing Time means, in respect of an Exchange or Related Exchange, the scheduled weekday closing time of such Exchange or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Trading Day means in respect of an Index, any day on which (a) the Index Sponsor is scheduled to publish the Closing Price of the Index and (b) the Related Exchange is scheduled to be open for trading during its respective regular trading session.

IV. Definitions specific to Funds

Averaging Date means, when used in respect of a Fund, in respect of each Valuation Date, each date specified as such in the applicable Final Terms for the purpose of determining an average (or if such date is not a Fund Business Day, the next following Fund Business Day subject to the provisions of the paragraph below).

Consequences of (i) a non-occurrence of a Fund Business Day or (ii) the occurrence of a Market Disruption Event for a Fund:

- (i) If a Valuation Date and/or an Averaging Date is not a Fund Business Day and no Fund Business Day occurs for a period of ten consecutive calendar days following such Valuation Date and/or such Averaging Date for a reason other than the occurrence of a Market Disruption Event; or
- (ii) If on a Scheduled Redemption Valuation Date related to a subscription or redemption order given by the Calculation Agent on a Valuation Date or an Averaging Date (the **Initial Scheduled Redemption Valuation Date**), a Market Disruption Event has occurred, the determination of the Net Asset Value of the relevant Fund shall be postponed to the first Scheduled Redemption Valuation Date immediately

following the Initial Scheduled Redemption Valuation Date no longer affected by the Market Disruption Event, unless there is a Market Disruption Event on each of the five Scheduled Redemption Valuation Date following the Initial Scheduled Redemption Valuation Date or if no Scheduled Redemption Valuation Date not affected by a Market Disruption Event has not occurred thirty-five (35) consecutive calendar days following the Initial Scheduled Redemption Valuation Date,

then the Calculation Agent shall determine its good faith estimate of the net asset value per Fund Interest Unit of such Fund which shall be deemed to be the Net Asset Value of the relevant Fund, *provided however* that, notwithstanding the foregoing, such determination made by the Calculation Agent shall occur not later than four Business Days before the date of any payment to be made under the Notes on the basis of determinations on such Valuation Date or Averaging Date.

Fund means, in respect of a Fund Interest, the relevant Fund Interest.

Fund Business Day means, in respect of each Fund observed separately, a day on which subscription and/or redemption orders given by the Calculation Agent for the Fund Interest Unit of a Fund are recorded by the Fund, or the Fund's administrator, registrar or manager, or any entity in charge of receiving redemption and subscription orders relating to the Fund Interest Units in accordance with the terms of the Fund Prospectus.

Fund Interest Unit means, with respect to a Fund Interest in a Fund, a share of such Fund Interest or, if Fund Interests in such Fund are not denominated as shares, a unit of account of ownership of such Fund Interest in such Fund or the entire amount of Fund Interest in which Société Générale or one of its affiliates is deemed to invest to hedge its obligation under the Notes on the agreement entered into by Société Générale or one of its affiliates with the Issuer of the Notes.

Fund Interest means an interest issued to or held by an investor in a fund or pooled investment vehicle.

Fund Documents means, with respect to any Fund Interest, the constitutive and governing documents, subscription agreements and other agreements of the Fund specifying the terms and conditions relating to such Fund Interest.

Fund Service Provider means, in respect of a Fund, any person who is appointed to provide services, directly or indirectly, for that Fund, whether or not specified in the Fund Documents, including any Fund Adviser, fund administrator, manager, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary manager or another non-discretionary investment adviser) for such Fund (the **Fund Adviser**), trustee or similar person with the primary administrative responsibilities for such Fund, operator, management company, depository, custodian, subcustodian, prime broker, registrar and transfer agent, domiciliary agent.

Market Disruption Event means, in respect of each Fund observed separately, the occurrence on a Scheduled Redemption Valuation Date relating to a subscription or redemption order given by the Calculation Agent on a Valuation Date or an Averaging Date, of (i) an event beyond the control of the Calculation Agent which precludes the calculation, or causes the suspension or the limitation of the publication of the net asset value per Fund Interest Unit on such date or (ii) the failure by the Fund to pay the full amount of the redemption proceeds scheduled to have been paid on such date on such date;

Net Asset Value or NAV means, in respect of a Fund, the net asset value per Fund Interest Unit of such Fund as calculated or settled from time to time by the manager of the relevant Fund.

Scheduled Redemption Valuation Date means in respect of a Fund and a Valuation Date or an Averaging Date, either (i) the date as of which the Fund (or the Fund Service Provider that generally determines such value) is scheduled, according to the Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the Net Asset Value of such Fund Interests for the purpose of determining the redemption proceeds to be paid to an investor that has submitted a valid and timely notice on the Valuation Date or (ii) the date by which the Fund is scheduled to have paid according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), all or a

specified portion of the redemption proceeds to an investor that has submitted a timely and valid notice on the Valuation Date.

Valuation Date means, in respect of a Fund, each date specified as such in the applicable Final Terms (or, if such date is not a Fund Business Day, the next following Fund Business Day subject to the provisions of paragraph (i) in “Consequences of a non-occurrence of a Fund Business Day”).

V. Definitions specific to Dividends

Dividend means in respect of a Share:

- (i) an amount of dividend per Share as declared by the Company, before the withholding or deduction of taxes at source by or on behalf of any applicable authority having power to tax in respect of such a dividend (an **Applicable Authority**), but which shall not take into account:
 - (a) any imputation or other credits, refunds or deductions granted by an Applicable Authority (together, the **Credits**); and
 - (b) any taxes, credits, refunds or benefits imposed, withheld, assessed or levied on the Credits referred to in (a) above, and/or
- (ii) an amount per Share being the cash value of any stock dividend (whether or not such stock dividend comprises shares that are not the ordinary shares of the issuer) declared by the Company (or, if no cash value is declared by the relevant issuer, the cash value of such stock dividend as determined by the Calculation Agent, calculated by reference to the opening price of such ordinary shares on the Ex-Dividend Date applicable to that stock dividend) provided that if holders of record of the relevant Share may elect between receiving an amount as defined in (i) above or in this sub-paragraph (ii), the dividend shall be deemed to be an amount as defined in (i) above.

In any case, this definition shall exclude (i) any dividends in relation to which the Index Sponsor makes an adjustment to the Index when the Share is considered as a component of an Index, or (ii) any dividends in relation to which the Related Exchange makes an adjustment to the Designated Contract when the Share is considered individually or as part of a basket (however where the Index Sponsor has adjusted the Index for part of a dividend or as the case may be the Related Exchange, the provisions above shall apply only to the unadjusted part).

Designated Contract means an options or futures contract on the Share traded on the Related Exchange with an expiry date (or the date which would have been the expiry date but for that day being a Disrupted Day or not being a Scheduled Trading Day) that matches the relevant Valuation Date of the Notes.

Dividend Period means the period specified as such in the Final Terms.

Ex-Dividend Date means in respect of a Dividend the date that a Share is scheduled to commence trading ex-dividend on the primary exchange or quotation system for such Share, as determined by the Calculation Agent.

Official Index Divisor means the value, calculated by the Index Sponsor, necessary to ensure that the numerical value of the Index remains unchanged after a change in the composition of the Index. The value of the Index after any change in its composition is divided by the Official Index Divisor to ensure that the value of the Index returns to its normalised value.

Official Number means, in respect of a date, an Index and a Share comprising such Index, the number of free-floating shares relating to such Share comprised in the Index, as calculated and published by the Index Sponsor on such date, subject to “Failure to Publish” below.

VI. Definitions specific to Exchange Traded Funds (ETF)

- (i) Part 1. I and II above of this Equity Technical Annex, De-listing Event and any related provisions of Part 2 above of this Equity Technical Annex shall apply to an ETF which for all purposes of these provisions shall be deemed to be a Share
- (ii) Part 2. III, Adjustments and events relating to Funds/Fund Interest Units/amount of Fund Interest shall apply to an ETF which for all purposes of these provisions shall be deemed to be a Fund

PART 2 – ADJUSTMENTS, EXTRAORDINARY EVENTS, HEDGING DISRUPTION AND CHANGE IN LAW RELATING TO SHARES, AMERICAN DEPOSITARY RECEIPTS (ADRs), INDICES, FUNDS AND DIVIDENDS

I. Adjustments and Extraordinary Events relating to Shares and American Depositary Receipts

A. Potential Adjustment Events

Potential Adjustment Event means, in relation to a Share, any of the following:

- (i) a subdivision, consolidation or reclassification of such Share (unless resulting in a Merger Event) including, for the avoidance of doubt, a stock split or reverse stock split, or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of such Share of (a) such Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares (c) share capital, other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction, or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by the Company in respect of Shares that are not fully paid;
- (v) a repurchase by the Company or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Shares.

Following the occurrence of any Potential Adjustment Event as defined above, the Calculation Agent will, as soon as reasonably practicable after it becomes aware of such event determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the relevant Share used to determine any settlement or payment terms under the Notes and/or any other terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Notes and (b) determine the effective date of that adjustment. In its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the Shares of any Potential Adjustment Event, and any related

adjustments to the terms of the Notes, the Calculation Agent shall take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Potential Adjustment Event. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options on the Share traded on such Related Exchange.

In the event that the Underlying is in the form of an ADR, references to **Share** in the definition of **Potential Adjustment Event** above refer to the Deposited Securities underlying such ADRs. In addition, an event that has a diluting or concentrative effect on the Deposited Securities will affect the theoretical value of the ADR unless (and to the extent that) the Company or the Depositary, pursuant to its authority (if any) under the Deposit Agreement, elects to adjust the number of the Deposited Securities that are represented by each ADR such that the price of the ADR will not be affected by any such event (as determined by the Calculation Agent), in which case the Calculation Agent will make no adjustment. If the Company or the Depositary elects not to adjust the number of Deposited Securities that are represented by an ADR or makes an adjustment that the Calculation Agent determines not to have been adequate, then the Calculation Agent may, in its discretion, make the necessary adjustment to the elements relating to the Underlying used to determine any settlement or payment terms under the Notes and/or any other terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Notes and determine the effective date of that adjustments. The Depositary may also have the ability pursuant to the Deposit Agreement to make adjustments in respect of the ADR for share distributions, rights distributions, cash distributions and distributions other than shares, rights and cash. Upon any such adjustment by the Depositary, the Calculation Agent may, in its discretion, make the necessary adjustments as the Calculation Agent deems appropriate to account for such event.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with the provisions of the Terms and Conditions setting out the adjustment to the terms of the Notes and giving brief details of the Potential Adjustment Event.

Definitions applicable to this section:

Local Taxes shall mean taxes, duties, and similar charges imposed by the taxing authority of the country in which the Company has been incorporated or in which the Exchange on which the Share is listed is located.

Offshore Investor shall mean a holder of Shares who is an institutional investor not resident in the country in which the Company has been incorporated or in which the Exchange on which the Share is listed is located (the **Local Jurisdiction**), for the purposes of the tax laws and regulations of the Local Jurisdiction and, for the avoidance of doubt, whose jurisdiction of residence (i) shall be determined by the Calculation Agent and (ii) may be the jurisdiction of Société Générale or one of its affiliates

B. Extraordinary Events

- (i) Upon the occurrence, in the determination of the Calculation Agent, on or prior to the last Valuation Date or the last Averaging Date of a Merger Event, a De-listing Event, a De-merger Event, an Insolvency, a Nationalisation or a Participation Event, in respect of a Share or an ADR or the opening of an Offering Period relating to such events (an **Affected Share** or an **Affected ADR**), then during such Offering Period, the Calculation Agent may decide in good faith to apply Method of Substitution with respect to the Affected Share or Affected ADR.
- (ii) If the Calculation Agent decides not to apply Method of Substitution during the Offering Period with respect to the Affected Share or Affected ADR, then:
 - (A) in respect of a Merger Event, from the Merger Date, and/or upon consummation of the Merger Event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, may apply:
 - (a) Share-for-Share: Alternative Obligation and/or Method of Substitution;

- (b) Share-for-Other: Alternative Obligation and/or Method of Substitution, or Early Redemption;
 - (c) Share-for-Combined: Alternative Obligation and/or Method of Substitution;
 - (B) in the case of a Merger Event affecting two Shares or ADRs comprised in a Basket, the Calculation Agent will either:
 - (a) continue with the share or ADR resulting from the Merger Event and in order to maintain the original number of listed Companies, a Substitute Share or Substitute ADR (as applicable) will be elected and included in the Basket; or
 - (b) substitute both Shares (or ADRs) with two Substitute Shares (or ADRs) selected as described in the Method of Substitution;
 - (C) in respect of a De-merger Event, from the De-merger Date, and/or upon consummation of the De-merger Event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, will either:
 - (a) replace the Affected Share or Affected ADR with the shares or ADRs of the successor Companies; or
 - (b) substitute one or more share(s) resulting from such De-merger Event pursuant to the Method of Substitution,
 - it being understood that, in the case of a Basket, the Calculation Agent shall maintain the initial number of listed Companies and that in the case where the Calculation Agent has elected to substitute the Affected Share or Affected ADR with several shares or ADRs resulting from such De-merger Event, such shares or ADRs shall be placed in a sub-basket and considered as one component of the Basket;
 - (D) in respect of a De-listing Event or a Nationalisation, from the effective date of such event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, may, but is not obliged to, apply the Method of Substitution;
 - (E) in respect of an Insolvency, the Calculation Agent will decide, either that:
 - (a) the Affected Share or the Affected ADR will be substituted pursuant to the Method of Substitution; or
 - (b) the value of the relevant component in the formula used to determine the amount to be paid or whether a condition has occurred, if any, as described in the applicable Final Terms, representing the Affected Share or the Affected ADR will be accounted by the Calculation Agent for its fair market value determined at any time as from the date of occurrence of such Insolvency until the last Valuation Date or the last Averaging Date. The determination of the fair market value shall depend upon the liquidity of the market and the trading conditions relating to the Share or ADR affected at the time of calculation; and
 - (F) in respect of a Participation Event, the Calculation Agent may, but is not obliged to, select a Substitute Share or Substitute ADR for the Affected Share or the Affected ADR pursuant to the Method of Substitution.
- (iii) Notwithstanding anything herein to the contrary, the Calculation Agent shall use its reasonable endeavours at all times to maintain the original number of listed companies as Companies hereunder.

Definitions applicable to this section B - Extraordinary Events:

Alternative Obligation means:

- (i) if, in respect of a Share-for-Share Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the relevant Merger Date the New Shares and the issuer of such New Shares (or, in the case of New Shares which are issued in the form of ADRs, the issuer of the Deposited Securities related to such ADRs) will be deemed the **Shares** (or **ADRs**, as the case may be) and the **Company**, respectively, and, if necessary, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the number of New Shares (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares or ADRs immediately prior to the occurrence of the Merger Event would be entitled upon consummation of the Merger Event;
- (ii) if, in respect of a Share-for-Other Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the relevant Merger Date, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares or ADRs would be entitled upon consummation of the Merger Event and, if necessary, any relevant terms of the Notes; and
- (iii) if, in respect of a Share-for-Combined Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the Merger Date the New Shares and the Other Consideration will be deemed the **Shares** (or **ADRs**, as the case may be) and the issuer of the New Shares (or, in the case of New Shares which are issued in the form of ADRs, the issuer of the Deposited Securities related to such ADRs) or the Other Consideration (if any) will be deemed the **Company** respectively, and, if necessary, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the number of New Shares and the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares or ADRs would be entitled upon consummation of the Merger Event.

Combined Consideration means New Shares in combination with Other Consideration.

De-listing Event means, in respect of a Share or an ADR, that such Share, ADR (or Deposited Security related to such ADR): (a) ceases to be listed, traded or publicly quoted on the relevant Exchange or listing compartment of the relevant Exchange (for any reason other than a Merger Event or a Tender offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or where the Exchange is within the European Union, in any member state of the European Union) or (b) has its listing, trading or public quotation maintained in inappropriate conditions in the opinion of the Calculation Agent (such conditions to include, without limitation, a lack of liquidity or the disappearance of the relevant future and/or option contract of the relevant Share) or (c) in respect of an Underlying in the form of an ADR, the Deposited Agreement is terminated.

De-merger Event means, in respect of any Share or ADR, that the Company relevant to such Share or ADR is affected by a de-merger including, without limitation, a spin off, *scission* or any operation of a similar nature.

De-merger Date means the date on which a De-merger Event becomes effective.

Early Redemption means that there will be an Early Redemption of the Notes on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Fixing Period means the period subject to a maximum of ten Exchange Business Days, which shall expire no later than 90 Business Days following the Merger Date, the De-merger Date or the effective date of the De-listing Event, Nationalisation, Insolvency or Participation Event) during which:

- (i) the Calculation Agent sells the Affected Shares, Affected ADRs, the New Shares and/or the Other Consideration, (as the case may be), on the basis of the arithmetic mean of the closing prices of the relevant assets, as observed during such Fixing Period; and
- (ii) the proceeds of such sale are re-invested in the Substitute Shares, Substitute ADRs and/or New Shares accordingly during the said Fixing Period on the basis of the arithmetic mean of the closing prices of such Substitute Shares, Substitute ADRs and/or New Shares, as observed during such Fixing Period.

Insolvency means, in respect of a Company, voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, such Company, as determined in good faith by the Calculation Agent.

Merger Date means in respect of a Share or an ADR, the date upon which holders of the necessary number of the relevant Shares or ADRs (other than, in the case of a takeover offer, Shares or ADRs owned or controlled by the offeror) to constitute a Merger Event have agreed or have irrevocably become obliged to transfer their Shares.

Merger Event means in respect of any Share:

- (i) any reclassification or change of such Share (including the change of currency reference of the Share) that results in a transfer of or an irrevocable commitment to transfer all of such Share outstanding to another entity or person; or
- (ii) any consolidation, amalgamation, merger or binding share exchange of the relevant Company with or into another entity (other than a consolidation, amalgamation or merger in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding);
- (iii) other take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares that results in a transfer of or an irrevocable commitment to transfer all or part of such Shares (other than any of such Shares owned or controlled by the offeror);
- (iv) any consolidation, amalgamation, merger or binding share exchange of the relevant Company or its subsidiaries with or into another entity in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event; or
- (v) take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Calculation Agent based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

In the event that the Underlying is in the form of an ADR issued pursuant to a Deposit Agreement references to **Share** in this definition refer to the Deposited Securities underlying such ADRs.

Method of Substitution means that in the case of a Merger Event, De-listing Event, De-merger Event, Nationalisation, Insolvency or Participation Event (regardless of the consideration to be received), in respect of an Affected Share or an Affected ADR, the Calculation Agent may consider that the Affected Share, the Affected ADR, the New Shares and/or, all or part of the Other Consideration (as the case may be) is/are converted into cash and that the proceeds will be reinvested either (a) into a new share or ADR of the same economic sector or into a share or ADR issued by a company of a similar international standing or creditworthiness as the Company related to the Affected Share or Affected ADR (a **Substitute Share** or a **Substitute ADR**, as the case may be) or (b) in the case of Combined Consideration into New Shares. In the

event of Other Consideration to be received in cash, in the future, the Calculation Agent may consider that the cash to be received in the future is discounted in order to immediately re-invest the proceeds then procured in accordance with (a) and (b) above.

The sale of the Affected Share, Affected ADRs, the New Shares and/or the Other Consideration shall be deemed to take place during the Fixing Period. The Substitute Share (or Substitute ADR, as the case may be) and the company issuing such Substituted Share (or, in the case of an ADR, the company issuing the Deposited Securities related to such ADR) will be deemed a **Share** and the **Company** respectively, and the Calculation Agent will adjust any relevant terms of the Notes.

For information purposes, it is understood that in all cases described herein where a Share or ADR is substituted, on any date “t”, with a Substitute Share or Substitute ADR, the value of the relevant component in the formula used to determine the amount to be paid as described in the applicable Final Terms, shall not be affected by the substitution on such date “t” in respect of the Substitute Share or Substitute ADR and would mean the closing price of such Substitute Share or Substitute ADR on the relevant Exchange on the date “t” is weighted by an appropriate linking coefficient so that it is equal to the closing price of the Affected Share or Affected ADR on such date “t”.

Nationalisation means that all the Shares or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

New Shares means shares or ADRs (whether of the offeror or a third party) that are listed or quoted on a recognised exchange as determined by the Calculation Agent.

Offering Period means the period from and including the date on which the Merger Event, the De-listing Event, De-merger Event, Insolvency, Nationalisation or Participation Event is publicly and officially announced to but excluding the Merger Date or De-merger Date or the effective date of the De-listing Event, Insolvency or Nationalisation.

Other Consideration means cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party).

Participation Event means that a Company (whose Shares or ADRs form part of a Basket) takes a stake exceeding 20 per cent. of another Company whose Shares or ADRs also form part of the Basket.

Share-for-Combined means, in respect of a Merger Event, that the consideration for the relevant Shares or ADRs consists of Combined Consideration.

Share-for-Other means, in respect of a Merger Event, that the consideration for the relevant Shares or ADRs consists solely of Other Consideration.

Share-for-Share means, in respect of a Merger Event, that the consideration for the relevant Shares or ADRs consists (or, at the option of the holder of such Shares or ADRs, may consist) solely of New Shares.

C. Correction of the Closing Price of a Share

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published and made available to the public by the Exchange after the original publication but no later than four Business Days prior to the Maturity Date (or any payment date(s) determined in the applicable Final Terms), the Calculation Agent will determine the amount that is payable as a result of that correction, and, to the extent necessary, will adjust the terms of the Notes to account for such correction.

II. Adjustments relating to Indices

A. Adjustments

(i) If an Index is:

- (A) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a relevant successor sponsor (the **Successor Sponsor**) acceptable to the Calculation Agent; or
- (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation of that Index,

then the Index will be deemed to be the index so calculated and announced by the relevant Successor Sponsor or that successor index (as the case may be).

(ii) If, in the determination of the Calculation Agent:

- (A) on or prior to a Valuation Date or an Averaging Date, the relevant Index Sponsor (or if applicable the Successor Sponsor) makes a material change in the formula for, or the method of calculating, that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events);
- (B) on any Valuation Date or Averaging Date, the relevant Index Sponsor (or, if applicable, the relevant Successor Sponsor) fails to calculate and publish the level of the Index and such failure is likely to have a material impact on the hedge of Société Générale in connection with the Notes; or
- (C) the Index Sponsor (or, if applicable, the Successor Sponsor) permanently cancels the Index and no successor Sponsor exists,

then the Calculation Agent shall either:

- (x) calculate the relevant formula used to determine an amount to be paid or whether a condition has occurred, if any, as described in the applicable Final Terms using, *in lieu* of a published level for the Index, the level of that Index as at the Valuation Time on the relevant Valuation Date or Averaging Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that change, failure or cancellation (other than those securities that have since ceased to be listed on any relevant Exchange);
- (y) replace the Index by a new index provided that such index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or
- (z) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of any of the events described in (A), (B) or (C) above, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

(iii) If an Index merges with another index or if an Index which forms part of the Basket merges with another index which does not form part of the Basket (an **Event**), the Calculation Agent will either:

- (A) continue using the index resulting from the merger; or
 - (B) replace the Index with another index (the **New Index**); as long as the **New Index** is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Event described above, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (iv) In the case of a merger affecting two Indices comprised in a Basket (an **Event**), the Calculation Agent will either:
- (A) continue using the index resulting from the merger and, in order to maintain the same number of indices within the Basket, the Calculation Agent will select a further index (a **New Index**) to be included in the Basket, as long as such **New Index** is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or
 - (B) replace both Indices with two other indices (each a **New Index**); as long as each **New Index** is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Event described above, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (v) If an Index is split into two or more new indices (an **Event**), the Calculation Agent shall, either:
- (A) use the indices resulting from the split to determine an index equivalent to the one existing prior to the split (provided that the indices resulting from the split will be deemed to form together the **New Index**); or
 - (B) replace the split Index with a new index (a **New Index**) as long as such **New Index** is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible representative of shares listed on one or more Exchanges of one or more OECD countries; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Event described above, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (vi) In the case of a Basket of Indices, in the event that shares forming part of one Index comprising the Basket represent at least 20 per cent. of the capitalisation of another Index forming part of the Basket (the **Affected Index**) (an **Event**), the Calculation Agent may, but is not obliged to, replace such **Affected Index** with a new index as long as such new index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries. If no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Event , an Early

Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

- (vii) In the event that an Index ceases to be the underlying of a futures and/or option contract (as the case may be) (an **Event**), the Calculation Agent may, but is not obliged to, replace such Index with a new index as long as such new index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries. If no index meeting the criteria (a) and (b) can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Event described above, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

B. Correction of the Closing Price of an Index

In the event that any price or level published on the Exchange or by the Index Sponsor and which is used for any calculation or determination made under the Notes is subsequently corrected and the correction is published and made available to the public by the Exchange or the Index Sponsor after the original publication but no later than four Business Days prior to the Maturity Date (or any payment date(s) determined in the applicable Final Terms), the Calculation Agent will determine the amount that is payable as a result of that correction, and, to the extent necessary, will adjust the terms of the Notes to account for such correction.

III. Adjustments and events relating to Funds/Fund Interest Units/amount of Fund Interest

In making any adjustment or determination of any kind in respect of the events listed below, the Calculation Agent shall act in good faith.

A. Adjustments

In the case of the occurrence at any time on or prior to a Valuation Date or Averaging Date of any event affecting a Fund or the value of the relevant Fund Interest Units or the amount of Fund Interest including, without limitation:

(i) a subdivision, consolidation or reclassification of the relevant number of Fund Interest Units or amount of Fund Interest, or a free distribution or dividend of any such Fund Interest to existing holders by way of bonus, capitalization or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Fund Interest of (A) an additional amount of such Fund Interest, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Interest, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend;

(iv) a repurchase by the Fund of relevant Fund Interests whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Interests initiated by an investor in such Fund Interests that is consistent with the Fund Documents; or

(v) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Interest Units or amount of Fund Interest.

the Calculation Agent may adjust any relevant terms of the Notes to preserve the economic equivalent of the obligations of the Issuer under the Notes.

B. Events relating to any Fund and/or any Fund Interest Unit, other than those specified under paragraph A “Adjustments” above

(a) **Nationalization** means that all the Fund Interests or all or substantially all the assets of a Fund are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

(b) **Insolvency** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (i) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Fund Interests of that Fund become legally prohibited from transferring or redeeming them.

(c) **Fund Insolvency Event** means, in respect of any Fund Interest, that the related Fund (i) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (ii) makes a general assignment or arrangement with or for the benefit of its creditors, (iii) (A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within fifteen days of the institution or presentation thereof; (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (v) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (v) through (vi) above;

(d) **Adviser Resignation Event** means, in respect of any Fund, (i) the resignation, termination, or replacement of its Fund Adviser ;

(e) **Fund Modification** means any change or modification of the related Fund Documents, that could reasonably be expected to affect the value of such Fund Interest or the rights or remedies of any holders thereof (including but not limited to an open-end fund that becomes a closed-end fund), (in each case, as determined by the Calculation Agent or one of its affiliates, from those prevailing on the first Valuation Date of the Notes);

(f) **Strategy Breach** means (i) any breach or violation of any strategy or investment guidelines stated in the related Fund Documents, that is reasonably likely to affect the value of such Fund Interest or the rights or remedies of any holders thereof, in each case, as determined by the Calculation Agent or (ii) any material modification, as determined by the Calculation Agent, of the risk profile of the Fund from its risk profile prevailing on the first to occur of (x) the Issue Date and (y) the first Valuation Date of the Notes by reason of, but not limited to, the modification of the proportions, or reduction of diversification, of the type of assets in which the Fund invests or a reduction of the average liquidity of the assets of the Fund;

(h) **Regulatory Action** means, with respect to any Fund Interest, (i) cancellation, suspension

or revocation of the registration or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund, (ii) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Service Provider that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Calculation Agent), or (iii) the related Fund or any of its Fund Service Provider becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Fund or Fund Service Provider;

(i) **Reporting Disruption** means, in respect of any Fund Interest, (i) occurrence of any event affecting such Fund Interest that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund Interest, and such event is likely to continue in the foreseeable future; (ii) any failure of the related Fund to deliver, or cause to be delivered, (A) information that such Fund has agreed to deliver, or cause to be delivered to the Calculation Agent or (B) information that has been previously delivered to the Calculation Agent in accordance with such Fund, or its authorized representative's, normal practice and that the Calculation Agent deems necessary for it to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interests;

(j) **Change in Law** means that, on or after the first to occur of (i) the Issue Date and (ii) the first Valuation Date of the Notes (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (A) it has become illegal to hold, acquire or dispose of Fund Interest on a hedge relating to Notes or the agreement entered into with Société Générale by the Issuer of the Notes, or (B) Société Générale or one of its affiliates will incur a materially increased cost in performing its obligations under such Notes or the agreement entered into with Société Générale by the Issuer of the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

(k) **Increased Cost of Hedging** means that Société Générale or one of its affiliates would incur a materially increased (as compared with circumstances existing on the first Valuation Date of the Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any Fund Interest of entering into and performing its obligations with respect to the relevant Notes or the agreement entered into with Société Générale by the Issuer of the Notes or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Société Générale or one of its affiliates shall not be deemed an Increased Cost of Hedging;

(l) **Fund Adviser Event** means that the Calculation Agent determines that over a period of twelve months, the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by fifty percent (50%) (either due to redemptions or decrease in value of such assets);

(m) **Fund Service Provider Event** means (i) a change, resignation, termination or replacement of any Fund Service Provider, (ii) a change of control or indirect control of any Fund's service provider, (iii) any of the Fund's service provider is subject to a Fund Service Provider Insolvency Event, where "Fund Service Provider Insolvency Event" has the same meaning as Fund Insolvency Event described above, except that Fund is replaced by a Fund Service Provider or (iv) in the reasonable opinion of the Calculation Agent, any of the Fund Service Providers is no longer deemed able to carry out its business with the standard of care which was prevailing on the first Valuation Date of the Notes;

(n) **Holding Ratio** means the reduction of the Fund's aggregate net asset value under an amount that, in the reasonable opinion of the Calculation Agent, has, or is likely to have, a significant effect on the management conditions of the Fund and/or its operating expenses or would increase the

proportion of Fund Interest Units held, or likely to be held, by Société Générale or any of its affiliates, or any funds managed by Société Générale or one of its affiliates, to such extent that the full redemption of the Fund Interest Units held by Société Générale or one of its affiliates is likely to be impaired.

(o) **Merger Event** means the conversion of the Fund Interest Unit into another class of fund interest units or securities, or the split of the Fund, its consolidation or its merger with, or its sale or its conveyance of all or substantially all its assets to, a third party; or

then the Calculation Agent may:

- (a) consider such Extraordinary Event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In the case where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions;
- (b) in the case of subparagraph (n) above only, replace the Fund Interest Unit by the kind and number of units or other securities and property receivable on such conversion, split, consolidation, merger, sale or conveyance by a holder of Fund Interest Units prior to such conversion, split, consolidation, merger, sale or conveyance for the purposes of determining the value of the Unit and make any adjustment (if necessary) to the value of such Fund Interest Unit; or
- (c) replace the Fund Interest Unit with a new fund interest unit of another fund.

IV. Adjustments and events relating to Dividends

A. Adjustments

Adjustments in relation to an Index all the components of which are used to determine the amounts due under Notes indexed on Dividends

If an event occurs affecting the Index all the components of which are used to determine the amounts due under Notes indexed on Dividends, which in the determination of the Calculation Agent has a material effect on the amounts due under the Notes, then the Calculation Agent shall either:

- (i) adjust any terms of the Notes, it determines appropriate, in order to take into account the economic effect on the Notes of such event; or
- (ii) replace the Index by a new index provided that such index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or
- (iii) consider such event as an event triggering an early redemption of the Notes and then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Adjustments in relation to a Share the dividend of which is used to determine the amounts due under Notes indexed on Dividends

If a Potential Adjustment Event or an Extraordinary Event (both as defined in Part 2 - I above) occurs affecting the Share (the **Affected Share**) the dividend of which is used to determine the amounts due under Notes indexed on Dividends, then the Calculation Agent shall either:

- (i) adjust any terms of the Notes, it determines appropriate, in order to take into account the economic effect on the Notes of such event; or

- (ii) replace the Affected Share by the resulting share or by a new share issued by a company of a similar international standing or creditworthiness as the Company related to the Affected Share; or
- (iii) apply Early Redemption as defined in Part 2-I –B above on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

B. Extraordinary Events

Failure to Publish

If during the Dividend Period, the Index Sponsor fails (for whatever reason including without limitation, a Market Disruption Event as defined in the Common definitions and provisions for Shares, American Depositary Receipts, Indices and Dividends in Part 1 above) to calculate and publish the number of free-float shares in respect of any Share or the Official Index Divisor, then the Calculation Agent shall determine the number of free-float shares in respect of such Share or the Official Index Divisor (as the case may be).

In making any such determination, the Calculation Agent may (but shall not be obliged to) make reference to the formula for and method of calculating the number of free-float shares or the Official Index Divisor (as the case may be) last in effect prior to the failure by the Index Sponsor to make the relevant calculation or publication.

Dividend Recovery

If (i) the amount actually paid or delivered by an issuer to holders of record of the relevant Share in respect of any Dividend declared by such issuer (a **Declared Dividend**) to holders of record of such Share is not equal to such Declared Dividend (a **Dividend Mismatch Event**); or (ii) such issuer fails to make any payment or delivery in respect of such Declared Dividend by the third Business Day following the relevant due date, then the Calculation Agent may (but shall not be obliged to) determine any appropriate adjustment to be made to account for such correction or subsequent publication, together with interest, on any amount subsequently due under the Notes.

C. Corrections

In the event that an Official Index Divisor or number of free floating shares calculated and published by the Index Sponsor (or determined by the Calculation Agent pursuant to the provisions above relating to “Failure to Publish”) and utilized for any calculation or determination made in respect of the Notes is subsequently corrected (or, where there has been a Failure to Publish, published by the Index Sponsor) and the correction is published (or, where there has been a Failure to Publish, publication is made) by the Index Sponsor within five Scheduled Trading Days (as defined in the Definitions specific to Indices in Part 1 above) after the original publication, the Calculation Agent will adjust the Dividend, as required, to take into account such correction *provided that* such correction or subsequent publication occurs no later than four Business Days prior to the Maturity Date (or any payment date(s) determined in the applicable Final Terms).

V. Hedging Disruption and consequences of Hedging Disruption - Change in Law and consequences of Change in Law

A. Hedging Disruption means :

- (i) in respect of Notes that have one or more Funds as Underlying(s), that Société Générale or one of its affiliates is unable, or it is impractical for Société Générale or one of its affiliates, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk (or any other relevant price risk including but not limited to the currency risk) relating to such Fund Interest of entering into and performing its obligations with respect to the Notes or the agreement entered into with Société Générale by the Issuer of the Notes or (b) realize, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increase in charges or fees imposed by the relevant Fund or

any other action taken or inaction by the Fund which has an adverse effect on any investor's ability to redeem the Units of such Fund Interest, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Interest or any non-compliance by the Fund or a Fund Service Provider, as the case may be, with any side letter entered into with Société Générale or one of its affiliates which impact the terms and conditions of subscription and/or redemption, or (B) any mandatory redemption, in whole or in part, of such Fund Interest imposed by the relevant Fund (in each case other than any restriction in existence on the first Valuation Date of the Notes

- (ii) in respect of Notes that have one or more Share(s), Index(ices), ADR(s), or ETF(s) as Underlying(s), that Société Générale or one of its affiliates is unable, after using commercially reasonable efforts, to either (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or the agreement entered into with Société Générale by the Issuer of the Notes, or (b) freely realize, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the agreement entered into with Société Générale by the Issuer of the Notes between accounts within the jurisdiction of the Hedge Positions (the "Affected Jurisdiction") or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

In case of occurrence of a Hedging Disruption relating to a Share, an Index, an ETF or an ADR or a Fund, (the **Affected Underlying**), the Calculation Agent may :

- (a) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In that case where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of the Market Value as defined in Condition 6(g) of the Terms and Conditions; or
- (b) replace the Affected Underlying by a new underlying which is representative of the same economic or geographic sector.

For the purpose of this provision

Hedge Positions means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by Société Générale or one of its affiliates, in order to hedge, individually or on a portfolio basis, the Notes.

B. Change in Law and consequences of Change in Law

Change in Law means in respect of Notes that have one or more Share(s), Index(ices), ADR(s), or ETF(s) as Underlying(s) that, on or after the first to occur of (i) the Issue Date and (ii) the first Valuation Date of the Notes (A) due to the adoption of any change in any applicable law or regulation (including without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that it has become illegal for Société Générale or one of its affiliates to hold, acquire or dispose of Hedge Positions (as defined in A. above) or the agreement entered into with Société Générale or one of its Affiliates by the Issuer of the Notes, relating to the Underlying of the Notes (the **Affected Underlying**).

Upon the occurrence, in the determination of the Calculation Agent, on or prior to the last Valuation Date or the last Averaging Date of a Change in Law, then the Calculation Agent will decide with regard to the Index affected by such Change in Law, either:

- (a) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In that case where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of the Market Value as defined in Condition 6(g) of the Terms and Conditions; or
- (b) replace the Affected Underlying by a new underlying which is representative of the same economic or geographic sector.

PART 3 - CALCULATIONS - PHYSICAL DELIVERY

I. Calculations

A. Calculation Agent

- (i) Unless otherwise specified in the applicable Final Terms, and in respect of Notes to which this Equity Technical Annex applies, the Calculation Agent responsible for calculating the Rate of Interest and/or the Final Redemption Amount and/or interest payable and/or the Physical Delivery Amount and/or the Early Redemption Amount shall be Société Générale, 29 boulevard Haussmann, 75009 Paris, France. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer, the Guarantor, the Agent and the Noteholders, in the absence of manifest error or proven error.
- (ii) The Calculation Agent shall notify the Issuer, which shall in its turn notify the Agent and the Noteholders pursuant to the provisions of Condition 14 (a) of any adjustments which are substantial in the opinion of the Calculation Agent, and (b) upon the occurrence of an extraordinary event listed in this Equity Technical Annex, of any modification of the composition of the Underlying and/or of Market Value of the Notes payable in respect thereof together with the calculation details if necessary.
- (iii) **Business Day** means, for the purpose of this Part 3, a day on which the Calculation Agent is open for business in Paris.

B. Calculation of interest where Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms and in respect of Notes to which this Equity Technical Annex applies

If Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms, unless otherwise specified in such Final Terms, if (a) interest is not expressed as being a “per annum” rate, and (b) interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest will be calculated on the basis of:

- (i) the actual number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by 365 (or, if any portion of the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the following (or first) Interest Payment Date (or, if none, the Maturity Date) (the **Interest Period**) falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365), if Part 3.IB(i) of the Equity Technical Annex is specified in 15(v) of Part A of the Final Terms; or
- (ii) the number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360, if Part 3.IB(ii) of the Equity Technical Annex is specified in 15(v) of Part A of the Final Terms; or

- (iii) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date divided by 360, if Part 3.I.B(iii) of the Equity Technical Annex is specified in 15(v) of Part A of the Final Terms; or
- (iv) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date divided by 365, if Part 3.I.B(iv) of the Equity Technical Annex is specified in 15(v) of Part A of the Final Terms.

II. Physical Delivery Notes

- (i) Unless otherwise specified in the applicable Final Terms, the Underlying used to determine the Physical Delivery Amount will be the Underlying(s) specified in the applicable Final Terms.
- (ii) When the settlement of a Physical Delivery Note is by way of physical delivery, the delivery will be made through Clearstream, Luxembourg or Euroclear or other relevant clearance institution (a **Clearing System**). The Transfer Notice will be delivered using the transfer procedures currently utilised by the relevant Clearing System. A Noteholder's entitlement to any Physical Delivery Amount will be evidenced by the Noteholder's account balance appearing on the records of the relevant Clearing System.
- (iii) Additional terms applicable to the settlement of the Physical Delivery Amount:
 - (A) The Physical Delivery Amount will be determined subject to the provisions in Part 1 and Part 2 (above) of this Equity Technical Annex, relating to Adjustments and Market Disruption Event. If as a result of an adjustment or otherwise, the number of Underlyings to be delivered is not a whole number, any fraction thereof will be payable in cash, on the basis of the value of such Underlying, converted, as the case may be, into the Specified Currency at the current exchange rate.
 - (B) In addition, if a Settlement Disruption Event does prevent delivery of the Physical Delivery Amount on the Maturity Date, then, such delivery shall occur on the first succeeding day on which delivery of the Physical Delivery Amount can take place through the relevant Clearing System (the **Settlement Date**) unless a Settlement Disruption Event prevents delivery for a period of 20 Clearing System Business Days immediately following the original date that would have been the Settlement Date (the **Delivery Period**). In that latter case, the Issuer shall, in lieu of delivering the Physical Delivery Amount, pay, in respect of each Note, the fair market value of the number of Underlying(s) to be delivered (the **Fair Market Value**) converted into the Specified Currency at the current exchange rate, if applicable. The Fair Market Value will be determined by the Calculation Agent on the basis of the market conditions on the first Business Day following the Delivery Period.
 - (C) If a dividend is paid in respect of the Underlying from and including the Valuation Date to and, as the case may be, (a) excluding the Delivery Date or (b) including, in the event of a Settlement Disruption Event, the date on which the Fair Market Value is calculated, then, the net dividend amount relating to the number of Underlying(s) to be delivered per Note (excluding any related tax credit) converted into the Specified Currency at the current exchange rate, if applicable, will be paid in cash to the Noteholders as soon as practicable, unless otherwise specified in the applicable Final Terms.
 - (D) All stamp duties, or other similar taxes and/or duties, in respect of physical delivery of Underlyings shall be borne by the Noteholders.

- (iv) As used in this paragraph:

Clearing System Business Day means, in respect of a Clearing System, any day on which such Clearing System is open for the acceptance and execution of settlement instructions.

Delivery Date means, as the case may be, (a) the Maturity Date or (b) in the event of a Settlement Disruption Event, the Settlement Date (as defined above).

Settlement Disruption Event means any event beyond the control of the Issuer as a result of which the relevant Clearing System cannot clear the transfer of the Physical Delivery Amount.

B) COMMODITIES TECHNICAL ANNEX

PART 1 – DEFINITIONS

I. Commodity Reference Price

Commodity Reference Price means any of the prices specified for the relevant Commodity below or any other price specified in the applicable Final Terms:

AL means the settlement price per tonne of high grade Primary Aluminium at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

BL means the settlement price per barrel of the Brent blend crude oil on the ICE of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the ICE and displayed on page "SETT" of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CO1+Cmdty on the relevant Valuation Date; provided that, for any Valuation Date, the Delivery Date with respect to the relevant futures contract shall mean the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**), except that for the last day of quotation for the First Nearby Month Futures Contract the Delivery Date of the relevant futures contract shall be the month of expiration of the second futures contract to expire following that date (the **Second Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be November 2005; such futures contract expiring on 14 October 2005, for a Valuation Date occurring on 14 October 2005, the Delivery Date will be December 2005).

CL means the settlement price per barrel of the West Texas Intermediate light sweet crude oil on the NYMEX of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CL1+Cmdty on the relevant Valuation Date, provided that, for any Valuation Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g., unless otherwise provided in the applicable Final Terms, for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be November 05; such futures contract expiring on 20 October 2005, for a Valuation Date occurring on 20 October 2005, the Delivery Date will be November 2005).

CU means the settlement price per tonne of copper Grade A at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

GL means the settlement price per metric ton of gas oil on the ICE of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the ICE and displayed on page "SETT" of the Reuters Monitor Money Rates Service on the relevant Valuation Date, provided that, for any Valuation Date, the Delivery Date with respect to the relevant futures contract shall mean the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**), except that for the last day of quotation for the First Nearby Month Futures Contract the Delivery Date of the relevant futures contract shall be the month of expiration of the second futures contract to expire following that date (the **Second Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be October 05; such futures contract expiring on 12 October 2005, for a Valuation Date occurring on 12 October 2005, the Delivery Date will be November 2005).

GO means the morning or afternoon (as specified in the applicable Final Terms) Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in USD, as determined by the London Gold Market and displayed on page "GOFO" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

HO means the settlement price per U.S. gallon of New York Harbor No. 2 heating oil on the NYMEX of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service on the relevant Valuation Date, provided that, for any Valuation Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be October 2005, such futures contract expiring on 30 September 2005).

HU means the settlement price per U.S. gallon of New York Harbor unleaded gasoline on the NYMEX of the first nearby futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service on the relevant Valuation Date, provided that, for any Valuation Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be October 2005, such futures contract expiring on 30 September 2005).

NG means the settlement price per MMBTU of natural gas on the NYMEX of the Henry Hub Natural Gas futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETNGS" of the Reuters Monitor Money Rates Service on the relevant Valuation Date, provided that, for any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on 30 September 2005, the Delivery Date of the relevant futures contract will be November 2005; such futures contract expiring on 27 October 2005, for a Valuation Date occurring on 27 October 2005, the Delivery Date will be November 2005).

NI means the settlement price per tonne of Primary Nickel at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Rates Service on the relevant Valuation Date.

PB means the settlement price per tonne of the Standard Lead at the end of the second morning ring on the LME for cash delivery, stated in U.S. dollars, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

PD means the afternoon Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. dollars, as calculated by the LPPM and displayed on page "STBL" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

PT means the morning or afternoon (as specified in the applicable Final Terms) Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorised to effect such delivery, stated in USD, as calculated by the LPPM and displayed on page "STBL" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

SI means the Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorised to effect such delivery, stated in USD, as calculated by the London Silver Market and displayed on page "SIFO" of the Reuters Monitor Money Rates Service on the relevant Valuation Date.

ZN means the settlement price per tonne of Special High Grade Zinc at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Rates Service on the relevant Valuation Date.

AL_(f), BL_(f), CL_(f), CU_(f), GL_(f), GO_(f), HO_(f), HU_(f), NG_(f), NI_(f), PB_(f), PD_(f), PT_(f), SI_(f) and ZN_(f), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on the Final Valuation Date.

AL_(i), BL_(i), CL_(i), CU_(i), GL_(i), GO_(i), HO_(i), HU_(i), NG_(i), NI_(i), PB_(i), PD_(i), PT_(i), SI_(i) and ZN_(i), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on the Initial Valuation Date.

AL_(n), BL_(n), CL_(n), CU_(n), GL_(n), GO_(n), HO_(n), HU_(n), NG_(n), NI_(n), PB_(n), PD_(n), PT_(n), SI_(n) and ZN_(n), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on a Valuation Date_(n).

II. Commodity Intraday Price

Commodity Intraday Price means, in respect of a Commodity and a day, the price at which such Commodity has been traded on the relevant Exchange at any time during that day, including the Commodity Reference Price, as determined by the Calculation Agent.

III. Exchanges and Principal Trading Markets

Exchange means, for the purposes of the Commodities Technical Annex, the exchange or principal trading market specified in the applicable Final Terms.

APX means the Amsterdam Power Exchange N.V. or its successor.

CBOT means the Chicago Board of Trade or its successor.

COMEX means the Commodity Exchange Inc., New York or its successor.

ICE or Futures ICE means The Intercontinental Exchange, Inc. or its successor.

KSCBT means the Kansas City Board of Trade or its successor.

LBMA means The London Bullion Market Association or its successor.

LME means the London Metal Exchange Limited or its successor.

LPPM means The London Platinum and Palladium Market or its successor.

London Gold Market means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold.

London Silver Market means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Silver.

NORDPOOL means the Nord Pool ASA (The Nordic Power Exchange) or its successor.

NYBOT means The New York Board of Trade or its successor.

NYMEX means the New York Mercantile Exchange or its successor.

OMLX means the OM London Exchange Ltd. or its successor.

SIMEX means The Singapore International Monetary Exchange, Inc. or its successor.

IV. Other Definitions

Barrier Level means the level specified as such in the applicable Final Terms.

Basket means a basket of Commodities determined by the Calculation Agent in accordance with the formula specified in the applicable Final Terms.

Business Day means a "Business Day" as defined in Condition 4(b)(i) of the Terms and Conditions of the French Law Notes or in Condition 5(b)(i) of the Terms and Conditions of the English Law Notes and Uncertificated Notes, as relevant, determined on the basis of the Specified Currency of the relevant Notes

Commodity means any commodity specified in the applicable Final Terms, including indices relating to commodities.

Commodity Business Day means (a) in respect of a Commodity Reference Price being a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on that Exchange and (b) in respect of a Commodity Reference Price not being a price announced or published by an Exchange, a day in respect of which the relevant price source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

Final Valuation Date means the date specified in the applicable Final Terms, subject to the adjustments, if any, provided for in the definition of Valuation Date_(n).

Initial Valuation Date means the date specified in the applicable Final Terms, subject to the adjustments, if any, provided for in the definition of Valuation Date_(n).

ISDA Definitions means the 2005 ISDA Commodity Definitions published by the International Swaps and Derivatives Association, Inc.

Knock-In Level means the level specified as such in the applicable Final Terms.

Knock-Out Level means the level specified as such in the applicable Final Terms.

Market Disruption Event means, in respect of a Commodity Reference Price, any event defined as such or as an Additional Market Disruption Event under the ISDA Definitions including, but not limited to, (i) the failure by the relevant Exchange or other relevant price source to announce or publish the relevant Commodity Reference Price, or the temporary or permanent discontinuance or unavailability of the price source, (ii) the material suspension of, or the material limitation imposed on, trading in the relevant futures contract or the relevant Commodity on the relevant Exchange, (iii) the failure of trading to commence, or the permanent discontinuation of trading, in the relevant futures contract or the relevant Commodity on the relevant Exchange or the disappearance or permanent discontinuance or unavailability of such Commodity Reference Price, (iv) the occurrence since the first Valuation Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price and (v) the occurrence since the first Valuation Date of a material change in the content, composition or constitution of the relevant Commodity.

MMBTU means one million British thermal units.

Observation Business Day means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in London and New York.

Observation Period unless otherwise specified in the applicable Final Terms, means the period from and including the first Valuation Date to and including the last Valuation Date.

Pricing Date means a Commodity Business Day on which there is no Market Disruption Event.

Strike Price means the price specified as such in the applicable Final Terms.

Valuation Date(s)_(n) means a date with respect to which the relevant Commodity Reference Price is determined. Valuation Date(s) includes either:

- (a) if "Non-Common Pricing" is specified in the applicable Final Terms: the Initial Valuation Date and the Final Valuation Date, as the case may be, and/or the date(s) specified as such in the applicable Final Terms, PROVIDED THAT, if any of such dates is not a Pricing Date for any Commodity, then, such

Valuation Date for such Commodity shall be postponed to the next Pricing Date, PROVIDED FURTHER THAT if there is no Pricing Date within a period of five Observation Business Days following the original Valuation Date, then the fifth Observation Business Day shall be deemed to be the Valuation Date for such Commodity and the Calculation Agent, shall determine on such fifth Observation Business Day, in good faith, the fair market value of such Commodity.

Notwithstanding the foregoing, a Valuation Date shall occur not later than four Business Days before the date of any payment to be made on the basis of determinations made on such Valuation Date; in such case, such fourth Business Day shall be deemed to be the Valuation Date for such Commodity and the Calculation Agent, shall determine, in good faith, on such day, the fair market value of such Commodity.

or

- (b) If "Common Pricing" is specified in the applicable Final Terms: the Initial Valuation Date and the Final Valuation Date, as the case may be, and/or the date(s) specified as such in the applicable Final Terms, PROVIDED THAT, if any of such dates is not a Pricing Date for any Commodity, then, such Valuation Date for all Commodities shall be postponed to the next Pricing Date that is common to all Commodities, PROVIDED FURTHER THAT if there is no Pricing Date common to all Commodities within a period of five Observation Business Days following the original Valuation Date, then the fifth Observation Business Day shall be deemed to be the Valuation Date for all Commodities and the Calculation Agent, shall determine on such fifth Observation Business Day, in good faith, the fair market value of the Commodities, for which such day is not a Pricing Date.

Notwithstanding the foregoing, a Valuation Date shall occur not later than four Business Days before the date of any payment to be made on the basis of determinations made on such Valuation Date; in such case, such fourth Business Day shall be deemed to be the Valuation Date for all Commodities and the Calculation Agent, shall determine, in good faith, the fair market value of the Commodities for which such day is not a Pricing Date.

Hedging Disruption means in respect of Notes that have one or more Commodity(ies) or Index(ces) relating to commodities as Underlying(s), that Société Générale or one of its affiliates is unable, after using commercially reasonable efforts, to either (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or commodity(ies) it deems necessary to hedge the commodity price risk or any other relevant price risk including, but not limited to, the currency risk, of entering into and performing its obligations with respect to the Notes or the agreement entered into with Société Générale by the Issuer of the Notes, or (ii) freely realize, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the agreement entered into with Société Générale by the Issuer of the Notes between accounts within the jurisdiction of the Hedge Positions (the **Affected Jurisdiction**) or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

In case of occurrence of a Hedging Disruption with respect to a Commodity or an Index (the **Affected Underlying**), the Calculation Agent may :

- (1) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In that case, where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of the Market Value as defined in Condition 6(g) of the Terms and Conditions; or
- (2) replace the Affected Underlying by a new underlying which is representative of the same economic or geographic sector.

Hedge Positions means any purchase, sale, entry into or maintenance of one or more positions or contracts in commodities, over-the-counter or traded on exchange commodity derivative transactions or foreign exchange transactions, or other instruments or arrangements (howsoever described) by Société Générale or one of its affiliates, in order to hedge, individually or on a portfolio basis, the Notes.

Change in Law means in respect of Notes that have one or more Commodity(ies) or Index(ces) as Underlying(s) that, on or after the first to occur of (i) the Issue Date and (ii) the first Valuation Date of the Notes (A) due to the adoption of, or any change in, any applicable law or regulation (including without limitation, any tax law) or (B) due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that it has become illegal for Société Générale or one of its affiliates to hold, acquire or dispose of Hedge Positions (as defined in above) or the agreement entered into with Société Générale or one of its Affiliates by the Issuer of the Notes, relating to the Underlying of the Notes, or perform its obligations or exercise its rights hereunder (the “Affected Underlying”).

Upon the occurrence, in the determination of the Calculation Agent, on or prior to the last Valuation Date or the last Averaging Date of a Change in Law, then the Calculation Agent will decide with regard to the Index affected by such Change in Law, either:

- (1) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In that case where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of the Market Value as defined in Condition 6(g) of the Terms and Conditions; or
- (2) replace the Affected Underlying by a new underlying which is representative of the same economic or geographic sector.

V. Indices relating to commodities

Definitions

Closing Price means in respect of an Index, the official closing level of the Index published and announced by the Index Sponsor, in any case as adjusted (if applicable) pursuant to the provisions below.

Disrupted Day means in respect of an Index, any Scheduled Trading Day (a) on which a Market Disruption Event has occurred or (b) on which the Index Sponsor fails to publish the Closing Price of the Index on the relevant Reuter’s or Bloomberg page.

Exchange(s) means, in respect of an Index, the corresponding exchange or quotation system specified in the applicable Final Terms, or any successor exchange or quotation system or any substitute exchange or quotation system to which trading in the commodities comprising the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such commodities comprising the Index on such temporary substitute exchange or quotation system as on the original Exchange).

Exchange Business Day means in respect of an Index (or, if applicable, each Index comprised in the Basket and observed separately (in the case of a Basket of Indices)), any Scheduled Trading Day the Index Sponsor publishes the Closing Price of such Index on the relevant Reuter’s or Bloomberg page.

Index means an index the name of which appears in the applicable Final Terms.

Index Sponsor means the corporation or other entity (as specified in the applicable Final Terms) that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Exchange Business Day.

Scheduled Closing Time means, in respect of an Exchange, the scheduled weekday closing time of such Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Trading Day means in respect of an Index, any day on which the Index Sponsor is scheduled to publish the Closing Price of the Index on the relevant Reuter’s or Bloomberg page.

Market Disruption Event means in respect of an Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption which in either case, the Calculation Agent determines is material, (iii) an Early Closure or (iv) Non Commodity Business Day.

Trading Disruption means in respect of an Index, any suspension of, or limitation imposed on, trading on the relevant Exchange (whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise) in any commodity comprising the Index.

Exchange Disruption means in respect of an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values on any relevant Exchange(s) relating to any of the commodities comprising the relevant Index.

Early Closure means the closure on any Exchange Business Day of any relevant Exchange(s) relating to any of the commodities comprising the relevant Index prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange (as the case may be) at least one hour prior to the earlier of (x) the actual closing time for the regular trading session on such Exchange (as the case may be) on such Exchange Business Day and (y) the submission deadline for orders to be entered into the Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

Non Commodity Business Day means in respect of a commodity comprising the Index that the relevant Exchange is not open for trading during its respective regular trading session.

Valuation Date means, in respect of an Index relating to commodities, each date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day for such Index relating to commodities, the next following Scheduled Trading Day), unless such day is a Disrupted Day in which case it shall be postponed pursuant to the provisions of Consequences of Disrupted Days for an Index relating to commodities.

Valuation Time means in respect of an Index, the Scheduled Closing Time provided however that if the Exchange closes prior to its Scheduled Closing Time, the Valuation Time shall be the actual closing time of the Exchange.

Consequences of Disrupted Days for an Index relating to commodities

If any Valuation Date specified in the Final Terms (the **Scheduled Valuation Date**), is a Disrupted Day for an Index (the **Affected Index**), its level shall be determined by the Calculation Agent in good faith in accordance with the formula for and method of calculating that Affected Index last in effect prior to the occurrence of the first Disrupted Day, using:

- (A) with respect to each commodity comprising the Affected Index which is not affected by the Market Disruption Event, its official settlement price as announced by the relevant Exchange on the Scheduled Valuation Date and
- (B) with respect to each commodity comprising the Affected Index which is affected by the Market Disruption Event, its official settlement price as announced by the relevant Exchange on the first Commodity Business Day following the Scheduled Valuation Date on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the Scheduled Valuation Date) during five consecutive Observation Business Days. In that case the Calculation Agent shall use the good faith estimate of the value of the relevant Commodity on that fifth Observation Business Day.

Notwithstanding the foregoing, the date on which the value of a commodity comprising the Index is determined (postponed as the case may be pursuant to the provisions above) shall occur not later than four Business Days before the date of any payment to be made under the Notes on the basis of determinations made on such date; if a date on which the value of a commodity comprising the Index is determined (postponed as the case may be pursuant to the provisions above) would fall less than the fourth Business Days prior to the date of any payment

to be made under the Notes on the basis of determinations made on such date, then the value of the relevant commodity comprising the Index will be determined on that fourth Business Day.

The Calculation Agent shall determine the level of the Affected Index not later than four Business Days before the date of any payment to be made under the Notes on the basis of that Affected Index.

The level of the Index so determined shall be deemed the Closing Price.

Adjustments to an Index relating to commodities

(i) If an Index is:

- (A) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a relevant successor sponsor (the **Successor Sponsor**) acceptable to the Calculation Agent; or
- (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation of that Index,

then the Index will be deemed to be the index so calculated and announced by the relevant Successor Sponsor or that successor index (as the case may be).

(ii) If, in the determination of the Calculation Agent:

- (A) on or prior to a Valuation Date, the relevant Index Sponsor (or if applicable the Successor Sponsor) makes a material change in the formula for, or the method of calculating, an Index or in any other way materially modifies an Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent commodities and capitalisation and other routine events);
- (B) on any Valuation Date, the relevant Index Sponsor (or, if applicable, the relevant Successor Sponsor) fails to calculate and publish the level of an Index and such failure is likely to have material impact on the hedge of Société Générale in connection with the Notes; or ;
- (C) the Index Sponsor (or, if applicable, the Successor Sponsor) permanently cancels an Index and no successor Sponsor exists,

then the Calculation Agent shall either :

- (A) calculate the level of that Index as at the Valuation Time on the relevant Valuation Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those commodities that comprised that Index immediately prior to that change, failure or cancellation (other than those commodities that have since ceased to be listed on any relevant Exchange). The Index so calculated will be used for determining of an amount to be paid or whether a condition has occurred, if any, *in lieu* of a published level of the Index;
- (B) replace the Index by a new index to the extent possible, representative of the similar type of commodities listed on one or more Exchanges; or
- (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

(iii) If an Index merges with another index or if an Index which forms part of the Basket merges with another index which does not form part of the Basket, the Calculation Agent will either:

- (A) continue using the index resulting from the merger; or
 - (B) replace the Index with another index (the **New Index**) to the extent possible, representative of similar type of commodities listed on one or more Exchanges; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (iv) In the case of a merger affecting two Indices comprised in a Basket, the Calculation Agent will either:
- (A) continue using the index resulting from the merger and, in order to maintain the same number of indices within the Basket, the Calculation Agent will select a further index (a **New Index**) to be included in the Basket, to the extent possible, representative of the similar type of commodities listed on one or more Exchanges; or
 - (B) replace both Indices with two other indices (each a **New Index**) to the extent possible, representative of the similar type of commodities listed on one or more Exchanges; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (v) If an Index is split into two or more new indices, the Calculation Agent shall, either:
- (A) use the indices resulting from the split to determine an index equivalent to the one existing prior to the split (provided that the indices resulting from the split will be deemed to form together the **New Index**); or
 - (B) replace the split Index with a new index (a **New Index**) to the extent possible, representative of the similar type of commodities listed on one or more Exchanges; or
 - (C) if the Calculation Agent has not retained (A) and if in (B) no index meeting the criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (vi) In the case of a Basket of Indices, in the event that commodities forming part of one Index comprising the Basket represent at least 20 per cent. of the capitalisation of another Index forming part of the Basket (the **Affected Index**), the Calculation Agent may, but is not obliged to, replace such Affected Index with a new index to the extent possible, representative of the similar type of commodities listed on one or more Exchanges. If no index meeting such criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.
- (vii) In the event that an Index ceases to be the underlying of a futures and/or option contract (as the case may be), the Calculation Agent may, but is not obliged to, replace such Index with a new index to the extent possible, representative of the similar type of commodities listed on one or more Exchanges. If no index meeting such criteria can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of

the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Part 2 - CALCULATIONS

I. Calculation Agent

- (i) Unless otherwise specified in the applicable Final Terms, and in respect of Notes to which this Commodities Technical Annex applies, the Calculation Agent responsible for calculating the Rate of Interest and/or the Final Redemption Amount and/or interest payable and/or the Early Redemption Amount shall be Société Générale, 29 boulevard Haussmann, 75009 Paris, France. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer, the Guarantor, the Agent and the Noteholders, in the absence of manifest error or proven error.
- (ii) The Calculation Agent shall notify the Issuer, which shall in its turn notify the Agent and the Noteholders pursuant to the provisions of Condition 14 (a) of any adjustments which are substantial in the opinion of the Calculation Agent, and (b) upon the occurrence of an extraordinary event listed in this Commodities Technical Annex, of any modification of the composition of the Underlying and/or of Market Value of the Notes payable in respect thereof together with the calculation details if necessary.

II. Calculation of interest where Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms and in respect of Notes to which this Commodities Technical Annex applies

If Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms, unless otherwise specified in such Final Terms, if (a) interest is not expressed as being a "per annum" rate, and (b) interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest will be calculated on the basis of:

- (i) the actual number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by 365 (or, if any portion of the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the following (or first) Interest Payment Date (or, if none, the Maturity Date) (the **Interest Period**) falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365), if this Part 2.II(i) of the Commodities Technical Annex is specified in 15(v) of Part A of the Final Terms; or
- (ii) the number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360, if this Part 2.II(ii) of the Commodities Technical Annex is specified in 15(v) of Part A of the Final Terms; or
- (iii) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date divided by 360, if this Part 2.II(iii) of the Commodities Technical Annex is specified in 15(v) of Part A of the Final Terms; or

- (iv) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date divided by 365, if this Part 2.II(iv) of the Commodities Technical Annex is specified in 15(v) of Part A of the Final Terms.

C) CREDIT TECHNICAL ANNEX

Capitalised terms used but not defined in this Part 1 shall have the meanings given to them in Part 2 of this Credit Technical Annex save to the extent it is supplemented or modified in the applicable Final Terms.

Legend:

**: delete if the Settlement Method specified in the applicable Final Terms is Physical Settlement*

*** : delete if the Settlement Method specified in the applicable Final Terms is Cash Settlement*

PART 1 - CREDIT EVENT PROVISIONS

I. If the Settlement Method specified in the applicable Final Terms is Physical Settlement:

1. Physical Settlement

- 1.1** If a Credit Event has occurred, as determined by the Calculation Agent, in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, are delivered during the Notice Delivery Period by or on behalf of the Issuer to the Relevant Clearing System for the Noteholders' information, then the Issuer will no longer be liable for the payment of the Final Redemption Amount on the Scheduled Maturity Date or on the Maturity Date, as the case may be, and will, in full and final satisfaction of its obligations hereunder in respect of the redemption of each Note, Deliver or procure Delivery of the Physical Delivery Amount to the Noteholders during the Physical Settlement Period, subject to the next following paragraph, clause 1.6 below and the cash settlement provisions hereafter.

The Delivery of the Specified Deliverable Obligations (or the payment of the Cash Settlement Amount as the case may be) is subject to the prior delivery by or on behalf of the Issuer to the Relevant Clearing System for the Noteholders' information, of a Notice of Physical Settlement between the Credit Event Determination Date and the Latest Notification Date (both dates inclusive).

- 1.2** Following the occurrence of a Credit Event with respect to a Reference Entity, the Issuer has sole and absolute discretion to select the Specified Deliverable Obligations.
- 1.3** The Issuer will not necessarily Deliver all the Specified Deliverable Obligations on the same date, and may Deliver Specified Deliverable Obligations to different Noteholders on different dates or to the same Noteholder on different dates.
- 1.4** The Issuer is not obliged to Deliver the same type and proportion of Deliverable Obligations to each Noteholder and a Noteholder may receive various types of Deliverable Obligations.
- 1.5** If any or all of the Specified Deliverable Obligations are not eligible for clearance by the Relevant Clearing System, then the Issuer may, at its discretion but upon prior notice to the Noteholders, arrange:
- (i) Delivery of those Specified Deliverable Obligations, if any, that are eligible for clearance by the Relevant Clearing System in the Relevant Clearing System and Delivery of those Specified Deliverable Obligations that are not eligible for clearance by the Relevant Clearing System outside the Relevant Clearing System; or
 - (ii) Delivery of all the Specified Deliverable Obligations (whether or not those Specified Deliverable Obligations are eligible for clearance) outside the Relevant Clearing System.

The Relevant Clearing System will then be instructed to block and, upon confirmation by the Issuer that delivery has taken place, cancel the Noteholders' positions in its books and the Fiscal Agent in turn will cancel the outstanding Notes. If Delivery is to take place outside the Relevant Clearing System, the Issuer must receive the relevant Noteholders' transfer instructions in terms that are satisfactory to the Issuer sufficiently before the Latest Permissible Physical Settlement Date to allow for physical settlement, otherwise the cash settlement provisions set out below will apply.

- 1.6 If the Issuer delivers or procures delivery to the Relevant Clearing System for the Noteholders' information, of a valid Credit Event Notice and, if applicable a Notice of Publicly Available Information, but fails to deliver or procure delivery of a Notice of Physical Settlement on or before the Latest Notification Date, then the Issuer shall pay to the Noteholders, in respect of each Note, an amount in cash equal to 100 per cent. of the Nominal Amount (or, if applicable, the Partial Redemption Amount per Note (as defined in clause III of this Part 1) in case of occurrence of a Restructuring, of each Note outstanding or the Multiple Successor Notional Amount (as defined in clause IV of this Part 1)), in each case, on the:

- *if American Settlement is specified in the applicable Final Terms:* fourth Business Day following the Latest Notification Date.
- *If European Settlement is specified in the applicable Final Terms:* later of (i) the Scheduled Maturity Date and (b) the fourth Business Day following the Latest Notification Date

If American Settlement is specified in the applicable Final Terms and clause 1.1 of this Part 1.1 applies, the following clause 1.7 shall apply:

- 1.7 Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

If Accrual of Interest is specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date and the last Interest Payment Date will be the Physical Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Physical Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Day and (ii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Physical Settlement Date.

If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period : The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date, the Interest Payment Date will be the Physical Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period: The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Physical Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period: No interest shall accrue nor be payable in respect of the Notes

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Physical Delivery Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

2. Cash Settlement

- 2.1** If, on the Latest Permissible Physical Settlement Date, the Calculation Agent (acting on behalf of the Issuer) determines that it is Illegal or Impossible for the Issuer to Deliver all or part of the Specified Deliverable Obligations to all or some of the Noteholders or if the Issuer does not receive transfer instructions as described in the last sentence of clause 1.5 above, then the Calculation Agent will calculate in respect of such part of the Specified Deliverable Obligations which are Undeliverable

Obligations a Cash Settlement Amount and the Issuer will, on the Cash Settlement Date, pay or procure payment of a Cash Settlement Amount to the relevant Noteholders in final and full satisfaction of its obligations in respect of the Undeliverable Obligations.

- 2.2 The Issuer must notify the relevant Noteholders through the Relevant Clearing System that there are Undeliverable Obligations and the reasons why it is Illegal or Impossible to Deliver such Specified Deliverable Obligations.
- 2.3 If, before the Latest Permissible Physical Settlement Date, the Calculation Agent determines that the Delivery of all of the Specified Deliverable Obligations is Illegal or Impossible it deems in good faith that such Delivery is to remain Illegal or Impossible, until the Latest Permissible Physical Settlement Date, then the Calculation Agent may give notice thereof to the Relevant Clearing System for the attention of the Noteholders. The Credit Valuation Date will then be the date that is two Business Days after the date on which the Calculation Agent delivers such notice to the Relevant Clearing System, and the Issuer will pay the Noteholders a Cash Settlement Amount on the Cash Settlement Date in full and final satisfaction of its obligations in respect of the Undeliverable Obligations.
- 2.4 If Delivery is partially Illegal or Impossible, the Issuer may, for each Noteholder, Deliver Specified Deliverable Obligations and pay a Cash Settlement Amount. The Issuer is not obliged to ensure that each Noteholder receives the same type and proportion of Deliverable Obligations and the same proportion of Deliverable Obligations and Cash Settlement Amount as each other Noteholder.
- 2.5 If clause 2.1 or clause 2.3 of this Part 1.I applies, the Issuer may arrange that all settlements hereunder be made outside the Relevant Clearing System in the manner described in clause 1.5 above provided that the Issuer receives transfer instructions in terms that are satisfactory to the Issuer to allow for such settlements.

If American Settlement is specified in the applicable Final Terms and clause 2.1 or clause 2.3 of this Part 1.I applies, the following clause 2.6 shall apply:

- 2.6 Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

If Accrual of Interest is specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date and the last Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date. In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Date and (ii) the Potential Failure to Pay with respect to such Failure to

Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period : The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date and the Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period: The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period: No interest shall accrue nor be payable in respect of the Notes

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Cash Settlement Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

II. If the Settlement Method specified in the applicable Final Terms is Cash Settlement:

If a Credit Event has occurred, as determined by the Calculation Agent, in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, are delivered during the Notice Delivery Period by or on behalf of the Issuer to the Noteholders, then the Issuer will no longer be liable for the payment of the Final Redemption Amount on the Scheduled Maturity Date or on the Maturity Date, as the case may be, and will, in full and final satisfaction of its obligations hereunder in respect of the redemption of each Note, pay or procure payment of the Cash Settlement Amount on the Cash Settlement Date. Such Cash Settlement Amount will be based on the valuation of the Selected Obligations. The Selected Obligations, the Cash Settlement Amount and the Cash Settlement Date shall be notified to the Noteholders in the Final Valuation Notice no later than the first Business Day following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the Final Value on the Credit Valuation Date, such later date within the fifteen Business Days period following such Credit Valuation Date on which the Calculation Agent determines the Final Value.

If the Calculation Agent delivers to the Noteholders a valid Credit Event Notice and, if applicable a Notice of Publicly Available Information, but fails to deliver a Final Valuation Notice no later than the first Business Day following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the Final Value on the Credit Valuation Date, such later date within the fifteen Business Days period following such Credit Valuation Date on which the Calculation Agent determines the Final Value, then the Issuer shall pay to the Noteholders, in respect of each Note, an amount in cash equal to 100 per cent. of the Nominal Amount of each Note then outstanding on:

- *if American Settlement is specified in the applicable Final Terms:* the fourth Business Day following such first Business Day.
- *if European Settlement is specified in the applicable Final Terms:* the later of (i) the Scheduled Maturity Date and (ii) the fourth Business Day following such first Business Day.

For the avoidance of doubt, under no circumstances will the Final Value be determined later than the 120th Business Day following the corresponding Credit Event Determination Date.

If American Settlement is specified in the applicable Final Terms and clause 2.1 or clause 2.3 of this Part 1.II applies, the following provisions shall apply:

Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

If Accrual of Interest is specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date, and the last Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Date and (ii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms: The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period : The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date, and the Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period: The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period: No interest shall accrue nor be payable in respect of the Notes

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Cash Settlement Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

III. Credit Event Notice after Restructuring

Upon the occurrence of a Restructuring in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date:

- *if American Settlement is specified in the applicable Final Terms:*

- (a) the Calculation Agent may deliver a Credit Event Notice in respect of an amount (the **Partial Redemption Amount**) that is less than the Nominal Amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the provisions of clause I or clause II to this Part 1 shall be deemed to apply to the Partial Redemption Amount only and each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount);
- (b) for the avoidance of doubt (i) the Nominal Amount of each such Note not so redeemed in part shall remain outstanding and, if applicable, interest shall accrue on the Nominal Amount outstanding of such Note as provided in the applicable Final Terms (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate) and (ii) the provisions of clause I or clause II to this Part 1 shall apply to such Nominal Amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of a Reference Entity; and
- (c) on redemption of part of each Note the relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption.

For the avoidance of doubt, the outstanding Nominal Amount of each Note in respect of which no Credit Event Notice has been delivered during the Notice Delivery Period (and, if applicable, no Potential Repudiation/Moratorium or Potential Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date), will be redeemed on the Scheduled Maturity Date.

- *if European Settlement is specified in the applicable Final Terms:*

- (a) the Calculation Agent may deliver a Credit Event Notice in respect of an amount (the **Partial Redemption Amount**) that is less than the Nominal Amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the provisions of clause I or clause II to this Part 1 shall be deemed to apply to the Partial Redemption Amount; and
- (b) for the avoidance of doubt the provisions of clause I or clause II to this Part 1 shall apply to such Nominal Amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of a Reference Entity.

If Multiple Successor is specified as Applicable in the related Final Terms the following clause IV) shall apply:

IV. Multiple Successors

Where, pursuant to the definition of **Successor** (see attached Part 2 of this Credit Technical Annex), more than one Successor has been identified, each such Successor (a **Multiple Successor**) shall be a Reference Entity for the purposes of the Conditions, but only in respect of a principal amount of each Note equal to the Nominal Amount divided by the number of Multiple Successors to such Reference Entity (the **Multiple Successor Notional Amount**) as determined by the Calculation Agent. Where Multiple Successors to such Reference Entity (each, a **Sub-Multiple Successor**) have been identified in respect of a Reference Entity (an **Original Multiple Successor**) that is itself a Multiple Successor, each such Sub-Multiple Successor shall be a Reference Entity for the purposes of the Conditions, but the Multiple Successor Notional Amount in respect of a Sub-Multiple Successor shall be equal to the Multiple Successor Notional Amount in respect of such Original Multiple Successor divided by the number of Sub-Multiple Successors to such Original Multiple Successor. Following the delivery of a Credit Event Notice and, if applicable a Notice of Publicly Available Information, in respect of a Multiple Successor, the Notes will not be redeemed in whole but an amount shall be deliverable or, as the case may be, payable in respect of each Note (an **Instalment Amount**) which amount shall be determined in the same manner, *mutatis mutandis*, as the Physical Delivery Amount or Cash Settlement Amount that would otherwise have been determined in respect of such a Credit Event in relation to the original Reference Entity, except that it shall be in respect of a principal amount of each Note equal to the relevant Multiple Successor Notional Amount only. The date of delivery or payment, as the case may be, of any such Instalment Amount (an **Instalment Date**) shall be determined in the same manner, *mutatis mutandis*, as the Physical Settlement Date or Cash Settlement Date that would otherwise have been determined in respect of such a Credit Event in relation to the original Reference Entity. More than one Instalment Amount may be delivered or payable on the same day in respect of different Multiple Successors, but not more than one Credit Event Notice may be delivered in relation to a single Multiple Successor unless a Restructuring occurs in relation to a Multiple Successor, in which case the provisions of clause III) of this Part 1 will apply in respect of each such Multiple Successor. Upon the determination by the Calculation Agent of the identity of Multiple Successors, the Calculation Agent shall determine the modifications required to be made to the Conditions and any other related documents, to preserve substantially the economic effect for a Noteholder of a holding of the Notes and the Issuer shall use its reasonable endeavours to effect such modifications.

If American Settlement is specified as Applicable in the related Final Terms:

Following delivery or payment of an Instalment Amount in respect of a Credit Event relating to a Multiple Successor, the outstanding Nominal Amount of each Note shall be correspondingly reduced by the proportion of such principal amount so redeemed and, if applicable, interest on each Note shall accrue on the reduced Nominal Amount of each Note from the date on which it would otherwise have ceased to accrue following delivery of a Credit Event Notice and, if applicable a Notice of Publicly Available Information in relation to the original Reference Entity.

PART 2 - DEFINITIONS

Accreted Amount means, with respect to an Accreting Obligation, an amount, determined by the Calculation Agent, to be equal to (a) the sum of (i) the original issue price of such obligation and (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in clause (a)(ii) above), in each case calculated as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the [Physical Settlement Date or]** applicable Credit Valuation Date[, as the case may be]*. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then for purposes of (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such Obligation, and shall be determined as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the [Physical Settlement Date or]** applicable Credit Valuation Date [, as the case may be]*. The Accreted Amount shall exclude, in the case of an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

Accreting Obligation means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation), the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index, or (b) periodic cash interest is also payable. With respect to any Accreting Obligation, **outstanding principal balance** means the Accreted Amount thereof.

Affiliate means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, **control** of any entity or person means ownership of a majority of the voting power of the entity or person.

Assignable Loan means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if such Reference Entity is guaranteeing such Loan) or any agent. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]**[Selected]* Obligation Characteristic Assignable Loan is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]**[Selected]* Obligation Characteristic had been specified as a [Deliverable]**[Selected]* Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the specified [Deliverable]**[Selected]* Obligation Category).

Bankruptcy means a Reference Entity:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such

proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgement of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;

- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (i) to (vii) (inclusive) of this definition of Bankruptcy.

Best Available Information means:

- (i) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Calculation Agent makes its determination of the relevant Successor(s), other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (ii) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (i) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination of the relevant Successor(s).

Information which is made available more than fourteen calendar days after the legally effective date of the Succession Event shall not constitute Best Available Information.

Bond means any obligation of a type included in the Borrowed Money Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.

Bond or Loan means any obligation that is either a Bond or a Loan.

Borrowed Money means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

Business Day means, the days specified in the applicable Final Terms [and solely for the purposes of physical settlement, if applicable, a day in any other jurisdiction in which a bank must be open in order to effect settlement of any Deliverable Obligations being Delivered]**.

Calculation Agent means Société Générale. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer and the Noteholders in the absence of manifest error.

Cash Settlement Amount means:

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* in respect of each Note for which physical settlement is partially or totally Illegal or Impossible, an amount equal to the sum of each Cash Settlement Amount per Undeliverable Obligation
- *if the Settlement Method specified in the applicable Final Terms is Cash Settlement:* in respect of each Note, an amount equal to the product of the Final Value multiplied by the Nominal Amount of each Note.

Cash Settlement Amount per Undeliverable Obligation means, in respect of one Note and an Undeliverable Obligation, the product of (i) the outstanding principal balance of such Undeliverable Obligation and (ii) the Market Value of such Undeliverable Obligation, divided by the number of Notes in respect of which there are such Undeliverable Obligation.

Cash Settlement Date means:

- *if American Settlement is specified in the applicable Final Terms:* the day that is four Business Days following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$ on the Credit Valuation Date, such late date within the 15 Business Days' period following such Credit Valuation Date on which the Calculation Agent determines the $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$.
- *if European Settlement is specified in the applicable Final Terms:* (a) the later of the Scheduled Maturity Date and (b) the day that is four Business Days following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$ on the Credit Valuation Date, such late date within the 15 Business Days' period following such Credit Valuation Date on which the Calculation Agent determines the $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$.

Conditionally Transferable Obligation means:

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this the definition of Conditionally Transferable Obligation.
- (i) Where Modified Restructuring Maturity Limitation applies and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), the cash settlement provisions described in Part 1 of this Credit Technical Annex shall apply.
- (ii) For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the Physical Settlement Date for the Deliverable Obligation, taking into account only the terms of the

Deliverable Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.

- *If the Settlement Method specified in the applicable Final Terms is Cash Settlement:*
a Selected Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Selected Obligation other than Bonds, provided, however, that a Selected Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Selected Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Selected Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Selected Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Selected Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Selected Obligation shall not be considered to be a requirement for consent for purposes of this the definition of Conditionally Transferable Obligation.

For purposes of determining whether a Selected Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the day on which the Final Value for the Selected Obligation is determined by the Calculation Agent, taking into account only the terms of the Selected Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.

Consent Required Loan means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the relevant Reference Entity is guaranteeing such Loan) or any agent. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]**[Selected]* Obligation Characteristic Assignable Loan is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]**[Selected]* Obligation Characteristic had been specified as a [Deliverable]**[Selected]* Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the specified [Deliverable]**[Selected]* Obligation Category).

Convertible Obligation means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

Credit Event means, with respect to a Reference Entity as determined by the Calculation Agent, the occurrence during the period from and including the Launch Date up to and including the Last Credit Event Occurrence Date of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, as specified in the applicable Final Terms.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (i) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (iii) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

A Credit Event need not be continuing on the Credit Event Determination Date.

Credit Event Determination Date means the day on which both the Credit Event Notice and , if applicable, the Notice of Publicly Available Information are delivered to the [Relevant Clearing System]**[Noteholders]*.

Credit Event Notice means an irrevocable notice that is effective during the Notice Delivery Period delivered by or on behalf of the Issuer to the Noteholders informing the Noteholders that a Credit Event has occurred. A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of a Credit Event Notice need not be continuing on the Credit Event Determination Date. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Credit Event Notice contains Publicly Available Information, such Credit Event Notice will also be deemed to be a Notice of Publicly Available Information.

Credit Valuation Date means:

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* the date that is two Business Days after the Latest Permissible Physical Settlement Date, subject, as the case may be, to clause 2.3 of Part 1.I of this Credit Technical Annex.
- *If the Settlement Method specified in the applicable Final Terms is Cash Settlement:* a date that the Calculation Agent will select in its own discretion that is on or before the 120th Business Day following the Credit Event Determination Date.

Default Requirement means, unless specified otherwise in the applicable Final Terms, USD 10,000,000 or its equivalent in the Obligation Currency as of the occurrence of the relevant Credit Event.

Deliver means to deliver, novate, transfer (including in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Specified Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Specified Deliverable Obligations to the relevant Noteholder or Noteholders free and clear of any and all liens, charges, claims and encumbrances (including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set out in paragraph x(a)-(d) of the definition of Deliverable Obligation below) or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that to the extent that the Deliverable Obligations consist of Qualifying Guarantees, Deliver means to Deliver both the Qualifying Guarantee and the Underlying Obligation. **Delivery** and **Delivered** will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time.

Deliverable Obligation means, subject to, if specified as Applicable in the related Final Terms, the provisions contained in the definition of Restructuring Maturity Limitation and Fully Transferable Obligation or (the provisions contained in the Definition of Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation, any of:

- (i) the Reference Obligation (if any);
- (ii) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Deliverable Obligation Category specified in the applicable Final Terms and having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, (ii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Physical Settlement Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, being Delivered apart from the giving of any notice of non-payment or similar procedural

requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement and (iii) that is not subject to a right of set-off by or of a Reference Entity or any applicable Underlying Obligor or any counterclaim or defence, other than a counterclaim or defence based on the following factors:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Deliverable Obligations;
 - (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Deliverable Obligations, however described;
 - (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
 - (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.
- (iii) solely in relation to a Restructuring applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraph (x)(a)-(d) above or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Physical Settlement Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (iv) any other obligation of a Reference Entity specified as such in the related Final Terms.
- *If the Notes described in the applicable Final Terms are denominated in Euros:* where a Specified Deliverable Obligation is denominated in a currency other than Euro, the Calculation Agent will determine the Euro equivalent of such amount by reference to the MEAN price as displayed on Reuters Page ECB37 as of London 12:00 pm on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
 - *If the Notes described in the applicable Final Terms are denominated in United States Dollars:* where a Specified Deliverable Obligation is denominated in a currency other than United States Dollar, the Calculation Agent will determine the United States Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
 - *If the Notes described in the applicable Final Terms are denominated in Hong Kong Dollars:* where a Specified Deliverable Obligation is denominated in a currency other than Hong Kong Dollar, the Calculation Agent will determine the Hong Kong Dollar equivalent of such amount by reference to the

Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.

Deliverable Obligation Category means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms. In case of Reference Obligation Only, no Deliverable Obligation Characteristics shall be applicable.

Deliverable Obligation Characteristics means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Transferable, Maximum Maturity, and Not Bearer, as specified in the applicable Final Terms. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as Deliverable Obligation Category and more than one Assignable Loan, and Consent Required Loan are specified as Deliverable Obligation Characteristics, the Deliverable Obligation may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics. For the purposes of applicable of the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

Domestic Currency means the currency specified as such in the applicable Final Terms and any successor currency. If no currency is specified, the Domestic Currency shall be the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro (or any successor currency to any such currency).

Downstream Affiliate means an entity, whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 percent owned, directly or indirectly, by the Reference Entity.

Due and Payable Amount means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the [Physical Settlement Date]**[Credit Valuation Date]*, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts). When used in connection with Qualifying Guarantees, the term Due and Payable Amount is to be interpreted to be the then Due and Payable Amount of the Underlying Obligation which is supported by a Qualifying Guarantee.

Eligible Transferee means each of the following:

- (i) (A) any bank or other financial institution; (B) an insurance or reinsurance company; (C) a mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in clause (iii) (A) below); and (D) a registered or licensed broker or dealer (other than a natural person or proprietorship); provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in the preceding clause (i);
- (iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity: (A) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000; (B) that has total assets of at least USD 500,000,000; or (C) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in clauses (i), (ii), (iii) (B) or (iv) of this definition; and
- (iv) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this definition of Eligible Transferee to USD include equivalent amounts in other currencies.

Equity Securities means (i) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depositary receipts representing those equity securities of the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time and (ii) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depositary receipts representing those equity securities of a person other than the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time.

Exchangeable Obligation means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation). With respect to any Exchangeable Obligation that is not an Accreting Obligation, **outstanding principal balance** shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

Failure to Pay means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

Final Price means in respect of a Selected Obligation, a quotation (expressed as a percentage) of such Selected Obligation, obtained from Quotation Dealers in the manner provided below. The Calculation Agent will determine, based on the then current market practice, whether such quotations will include or exclude accrued but unpaid interest and all quotations will be obtained in accordance with this determination. The Calculation Agent will require each Quotation Dealer to provide quotations to the extent reasonably practicable at approximately 11.00 a.m. London time or 11.00 a.m. New York time, as the case may be.

- (i) If the Calculation Agent obtains more than three Full Quotations on the Credit Valuation Date, the Final Price will be the arithmetic mean of such Full Quotations, disregarding the Full Quotations with the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (ii) If the Calculation Agent is unable to obtain more than three Full Quotations, but obtains exactly three Full Quotations on the Credit Valuation Date, the Final Price will be the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (iii) If the Calculation Agent is unable to obtain three Full Quotations, but obtains exactly two Full Quotations on the Credit Valuation Date, the Final Price will be the arithmetic mean of such Full Quotations.
- (iv) If the Calculation Agent is unable to obtain two Full Quotations, but obtains a Weighted Average Quotation on the Credit Valuation Date, the Final Price will be such Weighted Average Quotation.
- (v) If the Calculation Agent obtains fewer than two Full Quotations and no Weighted Average Quotation on the Credit Valuation Date, then the Final Price will be an amount as determined by the Calculation Agent on the next Business Day on which the Calculation Agent obtains two or more Full Quotations or a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the fifteenth Business Day following the Credit Valuation Date, the Final Price will be deemed to be zero.

Final Value means (i) the Final Price (expressed as a percentage) if there is only one Selected Obligation or (ii) the weighted average of the Final Prices of the Selected Obligations if the latter are a portfolio.

Final Valuation Notice means the notice delivered by or on behalf of the Issuer to the Noteholder, no later than the first Business Day following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to

determine the Final Value on the Credit Valuation Date, such later date within the fifteen Business Days period following such Credit Valuation Date on which the Calculation Agent determines the Final Value, specifying:

- the Selected Obligations (with an outstanding principal balance, excluding accrued interest, equal to the Aggregate Nominal Amount);
- the Cash Settlement Amount; and
- the Cash Settlement Date.

First-to-Default Reference Entity means the first Reference Entity in respect of which a Credit Event occurs and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, have been sent in accordance with the provisions of Part 1 of this Credit Technical Annex. If First-to-Default is specified as Applicable in the related Final Terms, the definitions of Obligation or [Deliverable Obligation]** [Selected Obligation]* shall be construed as though such definitions had been specified only with respect to the First-to-Default Reference Entity.

Full Quotation means each firm bid quotation obtained from a Quotation Dealer for an amount equal to the Quotation Amount. It is understood that a Full Quotation shall be based, with respect to any Accreting Obligation on the Accreted Amount thereof.

Fully Transferable Obligation means a [Deliverable]** [Selected]* Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any [Deliverable]** [Selected]* Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a [Deliverable]** [Selected]* Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a [Deliverable]** [Selected]* Obligation shall not be considered to be a requirement for consent for purposes of this definition.

For purposes of determining whether a [Deliverable]** [Selected]* Obligation satisfies the requirements of the definition of Fully Transferable Obligation, such determination shall be made as of the [Physical Settlement Date]** [Credit Valuation Date]* for the [Deliverable]** [Selected]* Obligation, taking into account only the terms of the [Deliverable]** [Selected]* Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.

Governmental Authority means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

Grace Period means:

- (i) subject to paragraphs (ii) and (iii), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Launch Date and the date as of which such Obligation is issued or incurred;
- (ii) if Grace Period Extension is specified as Applicable in the related Final Terms, a Potential Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and thirty calendar days; and
- (iii) if, at the later of the Launch Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that; unless Grace Period Extension is specified as Applicable in the related Final Terms, such deemed Grace Period shall expire no later than the Last Credit Event Occurrence Date.

Grace Period Business Day means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

Grace Period Extension Date means, if (a) Grace Period Extension is specified as Applicable in the related Final Terms and (b) a Potential Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is specified as Not Applicable in the related Final Terms, Grace Period Extension shall not apply to the Notes. If (i) Grace Period Extension is specified as Applicable in the related Final Terms, (ii) a Potential Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) a Credit Event Determination Date in respect of that Failure to Pay does not occur during the Notice Delivery Period, the Grace Period Extension Date will be the Maturity Date (even if a Failure to Pay occurs after the fourth Business Day immediately preceding the Scheduled Maturity Date).

Illegal or Impossible means, in respect of the Delivery of any Specified Deliverable Obligations, that it is illegal or impossible for the Issuer to Deliver or for a Noteholder to take Delivery of all or part of such Specified Deliverable Obligations because of:

- (i) any legal, contractual or other restrictions or constraints affecting the Delivery of the Specified Deliverable Obligations (including, without limitation, any laws, regulations, court orders, other governmental or regulatory constraints, the specific terms or conditions of the Specified Deliverable Obligations or failure to obtain the relevant consents, including but not limited to the consent of the Reference Entity and the guarantor (if any) of the Reference Entity or the consent of the applicable borrower in the case of a Specified Deliverable Obligation guaranteed by the Reference Entity); or
- (ii) any event which is beyond the control of the Issuer (including, without limitation, failure of the Relevant Clearing System or the refusal by a Noteholder to take Delivery of any of the Specified Deliverable Obligations); or
- (iii) any event which is beyond the control of a Noteholder due to its specific situation.

Last Credit Event Occurrence Date means the fourth Business Day immediately preceding:

- the Scheduled Maturity Date; or
- *if Repudiation/Moratorium is specified as Applicable in the related Final Terms:* the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of a Credit Event Notice is a Repudiation/Moratorium, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied; or
- *if Grace Period Extension is specified as Applicable in the related Final Terms:* the Grace Period Extension Date if (i) the Credit Event that is the subject of a Credit Event Notice is a Failure to Pay and (ii) the Potential Failure to Pay with respect to such Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date.

Latest Notification Date means the second Business Day following the day that is 30 calendar days after the Credit Event Determination Date.

Latest Permissible Physical Settlement Date means the day that is 60 Business Days after the date on which a Notice of Physical Settlement is delivered to the Relevant Clearing System.

Launch Date is the date specified in the applicable Final Terms.

Listed means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

Unless otherwise specified in the applicable Final Terms,

- if the Obligation Characteristic Listed is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;
- if the [Deliverable]**[Selected]* Obligation Characteristic Listed is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]**[Selected]* Obligation Characteristic had been specified as a [Deliverable]**[Selected]* Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the specified [Deliverable]**[Selected]* Obligation Category).

Loan means any obligation of a type included in the Borrowed Money Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

Market Value means, in respect of an Undeliverable Obligation, a quotation (expressed as a percentage) of such Undeliverable Obligation, obtained from Quotation Dealers in the manner provided below. The Calculation Agent will determine, based on the then current market practice, whether such quotations will include or exclude accrued but unpaid interest and all quotations will be obtained in accordance with this determination. The Calculation Agent will require each Quotation Dealer to provide quotations to the extent reasonably practicable at approximately 11:00 a.m. London time or 11:00 a.m. New York time, as the case may be.

- (i) If the Calculation Agent obtains more than three Full Quotations on the Credit Valuation Date, the Market Value will be the arithmetic mean of such Full Quotations, disregarding the Full Quotations with the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (ii) If the Calculation Agent is unable to obtain more than three Full Quotations, but obtains exactly three Full Quotations on the Credit Valuation Date, the Market Value will be the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (iii) If the Calculation Agent is unable to obtain three Full Quotations, but obtains exactly two Full Quotations on the Credit Valuation Date, the Market Value will be the arithmetic mean of such Full Quotations.
- (iv) If the Calculation Agent is unable to obtain two Full Quotations, but obtains a Weighted Average Quotation on the Credit Valuation Date, the Market Value will be such Weighted Average Quotation.
- (v) If the Calculation Agent obtains fewer than two Full Quotations and no Weighted Average Quotation on the Credit Valuation Date, then the Market Value will be an amount as determined by the Calculation Agent on the next Business Day on which the Calculation Agent obtains two or more Full Quotations, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the fifteenth Business Day following the Credit Valuation Date, the Market Value will be deemed to be zero.

Maximum Maturity means an obligation that has a remaining maturity from the [Physical Settlement Date]** [Credit Valuation Date]* of not greater than the period specified in the applicable Final Terms.

Modified Eligible Transferee means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation means, if specified as Applicable in the related Final Terms and if Restructuring is the only Credit Event specified in a Credit Event Notice delivered by or on behalf of the Issuer, that a [Deliverable]** [Selected]* Obligation may

be specified in the [Notice of Physical Settlement]** [Final Valuation Notice]* only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

Modified Restructuring Maturity Limitation Date means, with respect to a [Deliverable]** [Selected]* Obligation, the date that is the later of (x) the Scheduled Maturity Date and (y) 60 months following the Restructuring Date in the case of a Restructured Bond or Loan, or 30 months following the Restructuring Date in the case of all other [Deliverable]** [Selected]* Obligations.

Multiple Holder Obligation means an Obligation that (i) at the time of the event which constitutes a Restructuring is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in this subparagraph (ii) of this definition of Multiple Holder Obligation.

Nominal Amount means the Specified Denomination of one Note as specified in the applicable Final Terms subject, as the case may be, to the provisions of Part 1 of this Credit Technical Annex.

Not Bearer means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Clearstream, Luxembourg, Euroclear or any other internationally recognised clearing system. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]**[Selected]* Obligation Characteristic Not Bearer is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]**[Selected]* Obligation Characteristic had been specified as a [Deliverable]**[Selected]* Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the specified [Deliverable]**[Selected]* Obligation Category).

Not Contingent means any obligation having as of the [Physical Settlement Date]**[Credit Valuation Date]* and all times thereafter an outstanding principal balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment or, in the case of any Qualifying Guarantee, the beneficiary's giving notice that a payment is due under such Qualifying Guarantee or any other similar procedure requirement). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall satisfy the Not Contingent [Deliverable]**[Selected]* Obligor Characteristic if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (A) to convert or exchange such obligation or (B) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the [Physical Settlement Date]**[Credit Valuation Date]*.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a [Deliverable]**[Selected]* Obligation only if the rights referred to in clauses (A) and (B) of this definition of Not Contingent have not been exercised (or such exercise has been effectively rescinded) on or before [Physical Settlement Date]**[Credit Valuation Date]*.

Not Domestic Currency means any obligation that is payable in any currency other than the Domestic Currency.

Not Domestic Issuance means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for primarily in the domestic market of the Reference Entity.

Not Domestic Law means any obligation that is not governed by the laws of (A) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (B) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is a Sovereign.

Not Subordinated means an obligation that is not Subordinated to (i) the most senior Reference Obligation in priority of payment or (ii) if no Reference Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity. For purposes of determining whether a [Deliverable]** [Selected]* Obligation satisfies the Not Subordinated Obligation Characteristic or [Deliverable Obligation Characteristic]** [Selected Obligation Characteristic]* the ranking in priority of payment of each Reference Obligation shall be determined as of the later of (a) the Launch Date and (b) the date on which such Reference Obligation was issued or incurred and shall not reflect any change to such ranking in priority of payment after such later date.

Notice Delivery Period means the period from and including the Issue Date to and including:

- (a) the Scheduled Maturity Date; or
- (b) the Grace Period Extension Date if (i) Grace Period Extension is specified as Applicable in the relevant Final Terms, (ii) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date; or
- (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day immediately preceding the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

Notice of Publicly Available Information means, in relation to a Credit Event Notice or a Repudiation/Moratorium Extension Notice, an irrevocable notice delivered by or on behalf of the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both clauses (i) and (ii) of the definition of Repudiation/Moratorium. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

Notice of Physical Settlement means an irrevocable notice that is effective no later than the Latest Notification Date (included) from or on behalf of the Issuer to the Noteholders specifying the Specified Deliverable Obligations the Issuer reasonably expects to Deliver or procure the Delivery of to the Noteholders. The Issuer is not bound to Deliver such Specified Deliverable Obligations mentioned in the Notice of Physical Settlement. However, it will, to the extent possible, give the Noteholders notice of any subsequent change in the Specified Deliverable Obligations mentioned in the Notice of Physical Settlement (the term Specified Deliverable Obligation is deemed to include such change).

Obligation means,

- (i) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Obligation Category specified in the applicable Final Terms and having each of the Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of the date of the event which constitute the Credit Event which is the subject of the Credit Event Notice;
- (ii) the Reference Obligation (if any);

(iii) any other obligation of a Reference Entity specified as such in the related Final Terms.

Obligation Acceleration means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

Obligation Category means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms.

Obligation Characteristics means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, and Not Domestic Issuance, as specified in the applicable Final Terms. For the purposes of applicable of the Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

Obligation Currency means the currency or currencies in which an Obligation is denominated.

Obligation Default means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

outstanding principal balance when used in connection with Qualifying Guarantees, the term outstanding principal balance is to be interpreted to be the then outstanding principal balance of the Underlying Obligation which is supported by a Qualifying Guarantee.

Payment means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

Payment Requirement means, unless specified otherwise in the applicable Final Terms, USD 1,000,000 or its equivalent in the Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

Permitted Currency means (A) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (B) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Cooperation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, Aaa or higher assigned to it by Moody's Investor Service, Inc. or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings or any successor to the rating business thereof.

Physical Delivery Amount means, for each Note, Specified Deliverable Obligations with an outstanding principal balance, excluding accrued interest, equal to the Nominal Amount or, if applicable, the Partial Redemption Amount in case of the occurrence of a Restructuring (see clause III of Part 1 of this Credit Technical Annex) or the Multiple Successor Notional Amount (clause IV of Part 1 of this Credit Technical Annex). If the number of Specified Deliverable Obligations that the Issuer can Deliver is not an integer then, in respect of each Note, the Physical Delivery Amount will include, in addition to the Specified Deliverable Obligations that can be Delivered, the market value in cash, excluding accrued interest, of Specified Deliverable Obligations with an outstanding principal balance equal to the difference between the Nominal Amount or, if applicable, the Partial Redemption Amount in case of the occurrence of a Restructuring (clause III of Part 1 of this Credit Technical Annex) or the Multiple Successor Notional Amount (clause IV of Part 1 of this Credit Technical Annex) and the outstanding principal balance of the Specified Deliverable Obligations that can be Delivered, as determined by the Calculation Agent.

Physical Settlement Date means the date on which the Issuer Delivers the Physical Delivery Amount to the Noteholders, or, if the Issuer does not Deliver on the same date all the portfolio of Deliverable Obligations comprised in the Physical Delivery Amount, the date on which the Issuer has completed the Delivery thereof for all the Notes to all the Noteholders.

Physical Settlement Period means the period from and including the date on which a Notice of Physical Settlement is delivered to the Relevant Clearing System to and including the Latest Permissible Physical Settlement Date.

Potential Failure to Pay means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

Potential Repudiation/Moratorium means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

Publicly Available Information means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice, has occurred and which:

- (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that if the Calculation Agent or any of its Affiliates is cited as the sole source of such information, then such information shall not be deemed to be a Publicly Available Information unless the Calculation Agent or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation; or
- (ii) is information received from or published by:
 - (A) a Reference Entity (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign); or
 - (B) a trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation,
- (iii) is information contained in any petition or filing instituting a proceeding against or by the Reference Entity seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or presented for its winding-up or liquidation, where any such proceeding or petition instituted or presented against the Reference Entity (a) results in a judgement of insolvency or bankruptcy or the entry of an order for relief of the making of an order for its winding-up or liquidation or (b) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof; or
- (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

In the event that the Calculation Agent is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation and (ii) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver a certificate signed by a managing director (or other substantively equivalent title) of the Calculation Agent, which shall certify the occurrence of a Credit Event with respect to the Reference Entity.

In relation to any information of the type described in (ii), (iii) and (iv) of the definition of Publicly Available Information, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality or such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to third parties.

Publicly Available Information need not state (i) in relation to a Qualifying Affiliate Guarantee, the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and (ii) that such occurrence (a) has met the Payment Requirement or Default Requirement, (b) is the result of exceeding any applicable Grace Period, or (c) has met the subjective criteria specified in certain Credit Events including without limitation qualifying under clause (i) of Bankruptcy.

Public Source means each source of Publicly Available Information specified in the applicable Final Terms (or if a source is not specified, each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

Qualifying Guarantee means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **Underlying Obligation**) for which another party is the obligor (the **Underlying Obligor**). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). [The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation.]***

Qualifying Affiliate Guarantee means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

Quotation Amount means:

- *If Physical Delivery is specified in the applicable Final Terms:* an amount equal to the outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, of the Undeliverable Obligation.
- *If Cash Settlement is specified in the applicable Final Terms:* an amount equal to the outstanding principal balance of the Notes, if there is only one Selected Obligations; otherwise (if there is a portfolio of Selected Obligations), the Quotation Amount shall be a weighted amount in respect of each Selected Obligation, the sum of all such Quotation Amounts being equal to the outstanding principal balance of the Notes.

Quotation Dealers means at least five leading dealers in obligations of the type of the Undeliverable Obligation(s), which may include Société Générale, as selected by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.

Reference Entity means:

- *unless (i) First-to-Default is specified as Applicable in the related Final Terms:* the entity specified in the applicable Final Terms or any Successor thereto.
- *If First-to-Default is specified as Applicable in the related Final Terms:*
 - (a) in relation to a Reference Entity that is not a Sovereign: each entity set out in the applicable Final Terms and any direct or indirect successor thereto that assumes all or substantially all of the obligations thereof by way of merger, consolidation, amalgamation, transfer or otherwise, whether by operation of law or pursuant to any agreement, subject to the provisions in (c) below;
 - (b) in relation to a Reference Entity that is a Sovereign the entity specified in the applicable Final Terms or any Successor thereto, subject to the provisions in (c) below, applied *mutatis mutandis*;

- (c) In the event that a Reference Entity (X), assumes all or substantially all of the obligations of another Reference Entity (Y) by way of merger, consolidation, amalgamation, transfer or otherwise, whether by operation of law or pursuant to any agreement (each, a **Merger Event**), the Calculation Agent acting in good faith and in its sole discretion shall, within three Business Days of such Merger Event, select a new entity having an equivalent Rating (as defined below) or an equivalent credit risk (if no Rating is available) to Y immediately prior to the occurrence of the Merger Event; such new entity shall be deemed to have replaced Y as Reference Entity effective on and from the date of the Merger Event.

For the purpose of this definition **Rating** means the senior unsecured debt rating assigned by the three rating agencies Moody's Investor Service, Inc., Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and Fitch Ratings or any of them, being understood that if the ratings assigned in respect of an entity are not equivalent, only the highest one(s) will be taken into consideration.

In the event a Reference Entity (X) splits into several entities, as a result of a demerger or otherwise, X shall be deemed replaced by the entity that the Calculation Agent shall have selected among the resulting entities in its sole discretion.

Reference Obligation(s) the reference obligation(s) specified in the applicable Final Terms, or any Substitute Reference Obligation(s).

Reference Obligations Only means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only.

Relevant Clearing System means Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**), Euroclear Bank S.A./N.V. (**Euroclear**) or any other clearance system for the Deliverable Obligations as designated by Euroclear or Clearstream, Luxembourg.

Relevant Obligations means the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of Best Available Information. If the date on which Best available Information becomes available or is filed precedes the legally effective date of the relevant succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case.

Repudiation/Moratorium means the occurrence of both of the following events: (i) an authorised officer of a Reference Entity or a Governmental Authority (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (b) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement and (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the fourth Business Day immediately preceding the Repudiation/Moratorium Evaluation Date.

Repudiation/Moratorium Evaluation Date means, if a Potential Repudiation/Moratorium occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, (i) the Obligations to which such Potential Repudiation/Moratorium relates includes Bonds, the date that is the later of (A) the date that is 60 days plus four Business Days after the date of such Potential Repudiation/Moratorium and (B) the first payment date plus four Business Days under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days plus four Business Days after the date of such Potential Repudiation/Moratorium. If (i) the Repudiation/Moratorium Extension Condition is satisfied and (ii) a Credit Event Determination Date in respect of that Repudiation/Moratorium does not occur during the Notice Delivery Period, the Repudiation/Moratorium Evaluation Date will be the Maturity Date (even if a Repudiation/Moratorium occurs after the Scheduled Maturity Date).

Repudiation/Moratorium Extension Condition means a condition that is satisfied by the delivery of a Repudiation/Moratorium Extension Notice and, if specified as Applicable in the related Final Terms, Notice of Publicly Available Information by or on behalf of the Issuer to the Noteholders that is effective during the period described in clause (a) of the definition of Notice Delivery Period.

Repudiation/Moratorium Extension Notice means an irrevocable notice delivered by or on behalf of the Issuer to the Noteholders that describes a Potential Repudiation/Moratorium that occurred on or after the Launch Date and on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Repudiation/Moratorium Extension Notice contains Publicly Available Information, such Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

Restructured Bond or Loan means an Obligation which is a Bond or Loan and in respect of which a Restructuring that is the subject of a Credit Event Notice has occurred.

Restructuring means that,

- (a) with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between a Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Launch Date and the date as of which such Obligation is issued or incurred:
 - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
 - (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
 - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;
 - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
 - (v) any change in the currency or composition of any payment of interest or principal to any currency which is not Permitted Currency.
- (b) Notwithstanding the provisions of (a) above, none of the following will constitute a Restructuring:
 - (i) the payment in euros of interest or principal in relation to any Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union;
 - (ii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (a)(v) above, due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

- (iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (a)(v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.
- (c) For the purposes of sub-paragraphs (a) and (b) above and, unless Multiple Holder is specified as Not Applicable in the related Final Terms (d) below and the definition of Multiple Holder Obligation, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in Section (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in Section (b) above shall continue to refer to a Reference Entity.
- (d) Unless Multiple Holder is specified as Not Applicable in the related Final Terms, then, notwithstanding anything to the contrary in (a), (b) and (c) above, the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

Restructuring Date means, with respect to a Restructured Bond or Loan, the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

Restructuring Maturity Limitation and Fully Transferable Obligation means, if specified as Applicable in the related Final Terms and if Restructuring is the only Credit Event specified in a Credit Event Notice delivered by or on behalf of the Issuer, that a [Deliverable]** [Selected]* Obligation may be specified in the [Notice of Physical Settlement]** [Final Valuation Notice]* only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

Restructuring Maturity Limitation Date means the date that is the earlier of (x) thirty months following the Restructuring Date and (y) the latest final maturity date of any Restructured Bond or Loan, provided, however, that under no circumstances shall the Restructuring Maturity Limitation Date be earlier than the Scheduled Maturity Date or later than thirty months following the Scheduled Maturity Date and if it is, it shall be deemed to be the Scheduled Maturity Date or thirty months following the Scheduled Maturity Date, as the case may be.

Selected Obligation(s) means, as specified in the Final Valuation Notice, subject to, if specified as Applicable in the related Final Terms, the provisions contained in the definition of Restructuring Maturity Limitation and Fully Transferable Obligation or the provisions contained in the Definition of Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation, any of:

- (i) the Reference Obligation (if any);
- (ii) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Selected Obligation Category specified in the applicable Final Terms and having each of the Selected Obligation Characteristics, if any, specified in the applicable Final Terms that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Credit Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement and (iii) that is not subject to a right of set-off by or of a Reference Entity or any applicable Underlying Obligor or any counterclaim or defence, other than a counterclaim or defence based on the following factors:
 - (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Selected Obligations;

- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Selected Obligations, however described;
 - (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
 - (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.
- (iii) solely in relation to a Restructuring applicable to a Sovereign Reference Entity, any Sovereign Restructured Selected Obligation that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraph (x)(a)-(d) above or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Credit Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance of the Notes (excluding accrued interest), or Due and Payable Amount, as applicable apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (iv) any other obligation of a Reference Entity specified as such in the related Final Terms.
- *If the Notes described in the applicable Final Terms are denominated in Euros:* where a Selected Obligation is denominated in a currency other than Euro, the Calculation Agent will determine the Euro equivalent of such amount by reference to the MEAN price as displayed on Reuters Page ECB37 as of London 12:00 pm on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
 - *If the Notes described in the applicable Final Terms are denominated in United States Dollars:* where a Selected Obligation is denominated in a currency other than United States Dollar, the Calculation Agent will determine the United States Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
 - *If the Notes described in the applicable Final Terms are denominated in Hong Kong Dollars:* where a Selected Obligation is denominated in a currency other than Hong Kong Dollar, the Calculation Agent will determine the Hong Kong Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.

Selected Obligation Category means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms. In case of Reference Obligation Only, no Selected Obligation Characteristics shall be applicable.

Selected Obligation Characteristics means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Transferable, Maximum Maturity, and Not Bearer, as specified in the applicable Final Terms. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as Selected Obligation Category and more than one Assignable Loan, and Consent Required Loan are specified as Selected Obligation Characteristics, the Selected Obligation may include any Loan that satisfies any one of such Selected Obligation Characteristics specified and need not satisfy all such Selected Obligation Characteristics. For the purposes of

applicable of the Selected Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

Settlement Method means either Physical Settlement (see Part 1-I-1) of this Credit Technical Annex) or Cash Settlement (see Part 1-II-2) of this Credit Technical Annex) as specified in the applicable Final Terms.

Settlement Currency means the currency specified as such in the applicable Final Terms or, if no currency is specified, the currency of the Specified Denomination of the relevant Notes.

Specified Number means the number of Public Sources specified in the applicable Final Terms (of if a number is not specified, two).

Sovereign means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) thereof.

Sovereign Agency means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) of a Sovereign.

Sovereign Restructured Deliverable Obligation means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Deliverable Obligation Category specified in the applicable Final Terms and having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics meet the requirements after such Restructuring.

Sovereign Restructured Selected Obligation means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Selected Obligation Category specified in the applicable Final Terms and having each of the Selected Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Selected Obligation Category or Selected Obligation Characteristics meet the requirements after such Restructuring.

Specified Deliverable Obligation(s) means Deliverable Obligations of the Reference Entity as specified in the Notice of Physical Settlement (subject to the definition of such term).

Specified Currency means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is specified in the applicable Final Terms and no currency is specified, any of the lawful currencies of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro (and any successor currency to any of the aforementioned currencies), which currencies shall be referred to collectively as the **Standard Specified Currencies**).

Subordination means, with respect to an obligation (the **Subordinated Obligation**) and another obligation of the Reference Entity to which such obligation is being compared (the **Senior Obligation**), a contractual, trust or similar arrangement providing that (i) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (ii) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior Obligation. **Subordinated** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign.

Substitute Reference Obligation(s) means one or more obligations of the Reference Entity (either directly or as a provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Calculation Agent in accordance with the following procedures:

- (a) in the event that (i) a Reference Obligation is redeemed in whole or (ii) in the opinion of the Calculation Agent (A) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (B) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of the Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of the Reference Entity enforceable in accordance with its terms, or (C) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of the Reference Entity, the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation.
- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (1) ranks *pari passu* (or, if no such Obligation exists, then an Obligation that ranks senior) in priority of payment with such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the later of (A) the Launch Date and (B) the date on which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (2) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent, of the Issuer's obligations under the Notes and (3) is an obligation of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee). Upon notice to the Noteholders, the Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations.

The Calculation Agent will (in its absolute discretion) make such adjustments to the terms of the Notes that it determines are necessary in order to preserve the economic equivalent of the Issuer's obligations under the Notes.

succeed means, for the purposes of determining a Successor, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to the definition of Successor shall be made, in the case of an exchange offer, on the basis of the outstanding principal balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the outstanding principal balance of Bonds for which Relevant Obligations have been exchanged.

Succession Event means an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement. Notwithstanding the foregoing, Succession Event shall not include an event in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event.

Successor means:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any determined as set forth below:
- (i) If one entity directly or indirectly succeeds to seventy-five per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor.

- (ii) If only one entity directly or indirectly succeeds to more than twenty-five per cent. (but less than seventy five per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent. of the Relevant Obligations will be the sole Successor.
- (iii) If more than one entity each directly or indirectly succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent. of the Relevant Obligations will each be a Successor and the terms of the Notes will be amended in accordance with the provisions set out in the definition of Multiple Successor in Part 1-IV of this Credit Technical Annex.
- (iv) If one or more entities each directly or indirectly succeed to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor and the terms of the Notes will be amended in accordance with the provisions set out in the definition of Multiple Successor in Part 1-IV of this Credit Technical Annex.
- (v) If one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the terms of the Notes will not be changed in any way as a result of the Succession Event.
- (vi) If one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under (vi) above, as applicable. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under (vi) above, as applicable, the Calculation Agent shall use, in respect of each applicable Relevant Obligation included in such calculation, the amount of the liability in respect of such relevant Obligation listed in the Best Available Information.

A notice will be sent by or on behalf of the Issuer to the Noteholders evidencing the Succession Event and giving all necessary relevant indications as to the Successor(s), the Multiple Successor Notional Amount (if applicable) and the change in Reference Obligation(s).

- (b) in relation to a Sovereign Reference Entity, **Successor** means any direct or indirect successor(s) to that Reference Entity irrespective of whether such successor(s) assumes any of the obligations of such Reference Entity.

Supranational Organisation means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or Sovereign Agencies of two or more Sovereigns and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

Transferable means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following will be considered contractual, statutory or regulatory restrictions:

- (i) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or
- (ii) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds.

Unless otherwise specified in the applicable Final Terms, if the [Deliverable]**[Selected]* Obligation Characteristic Transferable is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]**[Selected]* Obligation Characteristic had been specified as a [Deliverable]**[Selected]* Obligation Characteristic only with respect to [Deliverable]**[Selected]* Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the specified [Deliverable]**[Selected]* Obligation Category).

Undeliverable Obligation(s) means that part of the Specified Deliverable Obligations for which Delivery is Illegal or Impossible.

Voting Shares shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

Weighted Average Quotation means, if there are no Full Quotations available, the weighted average of firm bid quotations obtained from the Quotation Dealers, to the extent reasonably practicable, each for an amount as large a size as available, that in aggregate are equal to or greater than the Quotation Amount.

D) MANAGED ASSETS PORTFOLIO TECHNICAL ANNEX

For Indexed Notes payments (whether in respect of principal and/or interest and whether at maturity or otherwise) calculated by reference to a portfolio of assets (basket of funds, single fund or financial instruments underlying an index), the following technical annex (the **Managed Assets Portfolio Technical Annex**) supplements the Debt Issuance Programme Prospectus.

The specific risks involved in an investment in such Notes are outlined under item “Risk Factors” in the Debt Issuance Programme Prospectus.

The Managed Assets Portfolio Technical Annex will apply to Final Terms relating to a particular issue of Notes, if such Final Terms state the following:

“The provisions of the Managed Assets Portfolio Technical Annex apply to these Final Terms and such documents shall be read together. In the event of inconsistency between the Managed Assets Portfolio Technical Annex and these Final Terms, these Final Terms will prevail.”

Terms used in this Annex, unless specifically defined in this Annex, shall have the same meanings as those elsewhere in the Debt Issuance Programme Prospectus.

I. GENERAL DEFINITIONS

Basket means a synthetic portfolio of assets whose composition is identical to those described below under the definition of Portfolio, provided however that its valuation may be expressed in terms of bare figures or bare percentage rather than by reference to a currency amount; this applies to Basket_i, Basket_f, and Basket_t, which shall mean :

Basket_i = 100 or 100 per cent. or any other figure or percentage specified in the applicable Final Terms;

Basket_f = Basket_i × (Basket Value per Note on the Final Valuation Date / Basket Value per Note on the Initial Determination Date);

Basket_t = Basket_i × (Basket Value per Note on the Valuation Date “t” / Basket Value per Note on the Initial Determination Date);

otherwise, all references herein to Portfolio, Portfolio Value and Portfolio Value per Note shall be deemed to be references to Basket, Basket Value and Basket Value per Note respectively; for the avoidance of doubt, all references herein to Portfolio_i, Portfolio_f and Portfolio_t shall also be deemed to be references to Basket_i, Basket_f and Basket_t except for aforementioned.

Borrowed Capital means the aggregate principal amount of the borrowings entered into in respect of the leverage feature of the Portfolio, reflected by the fact that the Risky Asset Exposure exceeds 100%.

Business Day means the days specified as such in the applicable Final Terms.

Calculation Agent means the agent specified in the Final Terms responsible for calculating the Final Redemption Amount and/or interest payable and/or the Early Redemption Amount, as applicable, and making any other determinations it is designated as responsible for herein. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer, the Guarantor, the Agent, the Portfolio Manager and the Noteholders, in absence of manifest error or proven error.

Cash means any cash, short term deposits, zero coupon bonds, commercial paper and/or any other negotiable money market instruments.

Disruption Event means any event beyond the Calculation Agent's control, preventing the Calculation Agent from determining the Portfolio Value, including but not limited to, a breakdown in the means of communication employed in determining the Portfolio Value, the non publication or suspension of the calculation of the Net Asset Value per Unit of any Fund or any event whatsoever, including the liquidation of any Fund, which prevents the communication of such Net Asset Value as such calculation or communication is deemed to be made in accordance with the relevant Fund Prospectus.

Final Valuation Date means, unless otherwise specified in the applicable Final Terms, the fifth Business Day before the Maturity Date.

Fund means any Risky Fund or Non Risky Fund.

Fund Prospectus means, in respect of a Fund, the document describing such Fund and providing, *inter alia*, for the subscription and redemption process in respect of Units of such Fund and rights attached to such Units, as such document may be supplemented and amended from time to time and available, free of charge, at the office of the Agent in Luxembourg.

Initial Determination Date means the date on which the initial composition / structure of the Portfolio is determined; unless otherwise specified in the applicable Final Terms, such date shall be the Issue Date of the Notes.

Maximum Exposure means as specified in the applicable Final Terms and expressed as a percentage of the Portfolio Value the maximum allocation of the Portfolio into Risky Asset.

Minimum Exposure means as specified in the applicable Final Terms and expressed as a percentage of the Portfolio Value the minimum allocation of the Portfolio into Risky Asset.

Net Asset Value means, in respect of any Fund, the net asset value of such Fund as calculated from time to time by the manager of such Fund or entity appointed by such Fund to that effect or as otherwise estimated by the Calculation Agent in good faith as provided in the definitions of Asset 1 or Asset 2.

Nominal Amount means the Specified Denomination of each Note set out in the applicable Final Terms.

Non Risky Asset has the meaning ascribed to it in the definition of Portfolio.

Non Risky Fund means any entity, trust or other form of collective investment scheme having a majority of its assets invested in, or exposed to, money market instruments and/or bonds, as selected by the Portfolio Manager.

Notes Outstanding means, on any date, the Notes outstanding held on such date by all Noteholders, or, for the purpose of the definition of Portfolio Value per Note, by all Noteholders other than Société Générale Asset Management Banque.

Other Instruments means any future, swap, cap, floor and/or option transactions or other derivative transactions entered into in relation to either the Risky Asset or the Non Risky Asset.

Portfolio means a portfolio of assets comprising (i) a selection of Risky Funds, a single Risky Fund or such other type of risky asset(s) specified in the applicable Final Terms constituting, together with the Other Instruments (if any) related to them, the **Risky Asset** and, if any, (ii) the Non Risky Fund(s) and the Cash constituting, together with the Other Instruments (if any) related to them, the **Non Risky Asset**. Where applicable, any Borrowed Capital shall form part of the Portfolio provided that, as liabilities, it shall come in deduction from the aforementioned assets. The Portfolio allocation amongst the components of the Risky Asset applicable on the Initial Determination Date shall be specified in the applicable Final Terms; such specification may be only indicative.

The Portfolio may be managed and allocated by the Portfolio Manager in different manners as detailed below (unless otherwise specified in the applicable Final Terms):

(a) Portfolio Management

- If **Dynamic Selection** is specified in the applicable Final Terms the Portfolio Manager will manage the Risky Asset in its absolute discretion without limitation to the number and/or the weighting of the components in the Risky Asset; it may, in particular, remove any of them from the Risky Asset or incorporate one or more new components therein. Any selection in the Risky Asset shall be qualified as resettable. Nevertheless certain rules,

guide-lines or constraints may be specified in the Final Terms restricting partially the Portfolio Manager's scope of intervention.

- If **Permanent Selection** is specified in the applicable Final Terms, the Portfolio Manager is not authorised to carry out such above mentioned removal or incorporation provided however that the respective weightings of the components of the Risky Asset may be modified by the Portfolio Manager.

(b) Portfolio Allocation

- In allocating the Portfolio amongst the relevant components the Portfolio Manager will take into account (i) variations in the performance of the Risky Asset and (ii) the specific market conditions. The Portfolio Manager may permit the exposure of the Portfolio to the Risky Asset (the **Risky Asset Exposure** being Risky Asset Value / Portfolio Value) to vary from the Minimum Exposure (0% means that the Portfolio is exclusively invested in the Non Risky Asset) to the Maximum Exposure (100% or more means that the Portfolio is exclusively invested in the Risky Asset). For the avoidance of doubt, a Risky Asset Exposure exceeding 100% reflects the leverage feature of the investment in the Portfolio (Risky Asset in the Portfolio partly financed by borrowings).
- If **Portfolio Allocation** is specified in the applicable Final Terms, the Portfolio Manager will allocate the Portfolio amongst the relevant components on a dynamic basis in accordance with the methodology known as the DPI ("Dynamic Portfolio Insurance") methodology or the CPPI ("Constant Portfolio Proportion Insurance") methodology (or any other similar methodology as specified and described in the Final Terms) with a view to achieving (i) a capital protection feature for the Notes and/or (ii) a participation in the growth of the value of the assets comprised in the Portfolio.
- If **DPI Basket Allocation** is specified in the applicable Final Terms, it shall mean that allocation amongst the relevant components of the Basket will be managed on a dynamic basis in accordance with the methodology known as the DPI or the CPPI methodology but making use of some arbitrary parameters that will not allow any capital protection, as follows:
 - the Portfolio Manager will periodically make observation of the difference (such difference being the **Cushion**) between (i) the Portfolio Value per Note on a given date t and (ii) the Reference Level (expressed as a percentage) on the same date multiplied by the Portfolio Value per Note on the Initial Determination Date
 - the Portfolio Manager may determine, at its absolute discretion, a range within which the ratio of the Risky Asset Value per Note to the Cushion (such ratio being the **Multiplier**) should remain. If the Portfolio Manager observes at any time that the Multiplier has deviated from such targeted range it may adjust the allocation of components within the Basket by increasing or decreasing (as appropriate) the allocation of the Risky Asset in the Basket such that the Multiplier falls within the targeted range, subject to the Maximum Exposure and Minimum Exposure. Alternatively the Multiplier may be a pre-determined fixed factor which generates a norm of Risky Asset Value (or Risky Asset Exposure) on the basis of current level of the Cushion. Adjustment of the Basket allocation is made only if the actual figures diverge from the norm by more than a specified percentage; where such alternative applies a Fixed Multiplier and a Specified Percentage in respect of the Risky Asset Exposure shall be specified in the applicable Final Terms.
- If **Volatility Cap Basket Allocation** is specified in the applicable Final Terms, the Portfolio Manager will dynamically manage the allocation of the Basket according to the Volatility Cap methodology as set below.

Volatility Re-Balancing: the Portfolio Manager will determine the level of the Basket Volatility on each Business Day t (the **Basket Volatility**(t)) in accordance with the formula below. If the Basket Volatility(t) exceeds the Volatility Cap Level or is below the Volatility Floor Level, then the Portfolio Manager will proceed with a re-balancing of the Basket by increasing/decreasing the exposure to the Non Risky Asset and by decreasing/increasing the exposure to the Risky Asset in order to reach the Volatility Reset Level.

The target weights of the 2 components within the Basket on a Business Day t are defined as follows:

Risky Asset Target Weight (t) =

Max[Minimum Exposure; Min (Maximum Exposure; Risky Asset Target Weight ($t-1$) \times Volatility Reset Level / Basket Volatility(t))]

Non Risky Asset Target Weight(t) = 1 - Risky Asset Target Weight(t)

where **$t-1$** is the first Business Day before the date t

On the Initial Determination Date ($t=0$) Risky Asset Target Weight ($t-1$) = Maximum Exposure.

The re-balancing of the Basket will be made within 3 (or 5) Business Days of such date t , on a best efforts basis, and subject to valuation delay, liquidity and execution condition of the constituents of the Risky Asset.

Once a new allocation between the Risky Asset and the Non Risky Asset is determined, it will remain constant unless the Basket Volatility leads to a re-balancing in accordance with these allocation rules.

Each of the **Volatility Cap Level**, the **Volatility Floor Level** and the **Volatility Reset Level** is the relevant percentage as specified in the applicable Final Terms.

Basket Volatility (t) means, on each Business Day t , the Annualised Standard Deviation of the Daily Return of the Risky Asset multiplied by the Risky Asset Target Weight ($t-1$). The Basket Volatility will be determined for the first time on the first Business Day preceding the Initial Determination Date, subject to valuation delay, liquidity and execution condition of the constituents of the Risky Asset.

Annualised Standard Deviation:
$$s = \sqrt{260 \times \frac{1}{n-1} \sum_{i=0}^{19} R_{t-i}^2}$$

where :

n is the number of Business Days in the Rolling Period.

R_{t-i} is the Daily Return of the Risky Asset on Business Day $t-i$ of the Rolling Period.

i designates the numerical order (from 0 to 19) of the Business Days within a Rolling Period.

Rolling Period means a 20 Business Days period starting on each Business Day occurring from and including the twenty first Business Day preceding the Initial Determination Date or any other period as may be specified in the applicable Final Terms.

Daily Return of the Risky Asset means, on each Business Day t , the difference between the Risky Asset Value on such Business Day and the Risky Asset Value on the preceding Business Day, divided by the Risky Asset Value on such preceding Business Day.

PROVIDED THAT (i) if “**One to One**” is specified in the applicable Final Terms, the Notes will simply be indexed on the constituent(s) of the Risky Asset without any management or allocation strategy being implemented (unless otherwise specified in the applicable Final Terms), (ii) if “**Leverage Strategy**” is specified in the applicable Final Terms, the Portfolio will consist exclusively in the Risky Asset and will remain permanently exposed to such Risky Asset with generally no other management or allocation strategy than the periodical resetting of the Risky Asset Exposure at a specified level (the “**Target Exposure Level**”) and (iii) if “**Specific Strategy**” is specified in the applicable Final Terms, the Portfolio shall be managed and allocated in accordance with the specific rules detailed in such Final Terms.

PROVIDED FURTHER THAT in all cases the Risky Asset remains subject to the adjustment provisions set out in section 4 below.

Portfolio_i means the Portfolio Value per Note on the Initial Determination Date being an amount in the Specified Currency equal to a fixed percentage of the Nominal Amount as specified in the applicable Final Terms. Portfolio_i remains subject to appropriate adjustments made in good faith by the Calculation Agent in relation to certain events affecting any Fund and / or any Unit and /or any other underlying Risky Asset.

Portfolio_f means the Portfolio Value per Note on the Final Valuation Date as determined by the Calculation Agent. Portfolio_f remains subject to appropriate adjustments made in good faith by the Calculation Agent in relation to certain events affecting any Fund and/or any Unit and /or any other underlying Risky Asset.

Portfolio_t means the Portfolio Value per Note on any Valuation Date "t" as determined by the Calculation Agent. Portfolio_t remains subject to appropriate adjustments made in good faith by the Calculation Agent in relation to certain events affecting any Fund and/or any Unit and /or any other underlying Risky Asset.

Portfolio Manager means the entity specified as such in the applicable Final Terms, being the agent responsible for managing and allocating the Portfolio amongst the relevant components; in such capacity, the Portfolio Manager will act in the best interest of the Noteholders pursuant to a Portfolio Management Deed dated 2 May 2007. Should there be no Portfolio Manager specified in any applicable Final Terms, then the Calculation Agent shall assume and carry out the tasks and functions of a Portfolio Manager described herein, which tasks and functions would not imply any active management in that particular case.

Portfolio Value means, on any Valuation Date, the difference between (i) the sum of Asset 1, Asset 2, Asset 3 and Asset 4 and (ii) the sum of the Borrowed Capital, the Accrued Management Fees, the Accrued Borrowing Costs, the Structuring Fees and the Other Fees and Other Cost (if specified as "Applicable" in the applicable Final Terms), applied to the Aggregate Nominal Amount of the Notes.

Portfolio Value per Note means, on any Valuation Date, the Portfolio Value on such date divided by the number of Notes Outstanding on such date.

Reference Level means, in the context of the Basket Allocation and as specified in the applicable Final Terms, a percentage of Basket_i increasing from an initial level on the Initial Determination Date to a final level on the Final Valuation Date. The Reference Level is intended to be used as a management tool by the Portfolio Manager.

Risky Asset has the meaning ascribed to it in the definition of Portfolio.

Risky Asset Exposure means the ratio (expressed as a percentage) between the Risky Asset Value and the Portfolio Value.

Risky Asset Value means, on any Valuation Date, the sum of Asset 1 and the market value of the related Other Instruments on such Valuation Date, provided that for consistency reason such value may be calculated per Note.

Risky Fund means any entity, trust or other form of collective investment scheme having a majority of its assets invested in, or exposed to, diversified assets containing a risky feature, as selected by the Portfolio Manager.

Unit means a unit or share of the relevant Fund (collectively the **Units**).

Valuation Date means a day on which the Portfolio Value is calculated by the Calculation Agent and shall include the Final Valuation Date and any other dates specified as such in the applicable Final Terms.

II. DEFINITIONS OF ASSETS

Asset 1 means, in respect of any Valuation Date "t", depending on the underlying Risky Asset:

- If the underlying Risky Asset is in whole or in part composed of a selection of "n" Risky Funds, the sum of the products, in respect of each Risky Fund "i" in the Portfolio, of (i) the relevant Net Asset Value per Unit and (ii) the relevant number of Units of such Risky Fund "i" in the Portfolio on such Valuation Date "t", as calculated in accordance with the following formula:

$$\sum_{i=1}^n (Nr_{(i)t} \times NAV_{r(i)t})$$

where:

$Nr_{(i)t}$ means, in relation to a Risky Fund "i", the number of Units of such Fund currently allocated in the Portfolio on such Valuation Date "t" excluding any Units for which a redemption or subscription order has been or is to be executed on the basis of $NAV_{r(i)t}$;

$NAV_{r(i)t}$ means, in relation to a Risky Fund "i", the Net Asset Value per Unit of such Fund prevailing on the Valuation Date "t" after deduction of any redemption fees or subscription fees or other costs otherwise payable to the such Risky Fund "i" PROVIDED THAT if as a result of a Disruption Event the Net Asset Value per Unit of the Fund is not available, the Calculation Agent may determine its good faith estimate of $NAV_{r(i)t}$, making use of the relevant benchmark level as appropriate (in particular where the Volatility Cap Basket Allocation applies);

and/or

- If the underlying Risky Asset is in whole or in part composed of a single Risky Fund, the product of the Net Asset Value per Unit and the number of Units of the Risky Fund in the Portfolio on such Valuation Date "t" calculated in accordance with the following formula: $Nrt \times NAVrt$ (see definitions immediately above);

and/or

- If the underlying Risky Asset is in whole or in part composed of an official equity index or any other type of index or composite risky asset, the market value on such Valuation Date "t" of the financial instruments (such as but not limited to, futures, trackers, swaps and treasury instruments) representing the investment value in the relevant underlying as calculated by the Calculation Agent on the basis of an appropriate valuation method it shall select in good faith.

Asset 2 means, in respect of any Valuation Date "t", the aggregate Net Asset Value of the Units of the Non Risky Funds in the Portfolio calculated in accordance with the following formula:

$$\sum_i (Nm_{(i)t} \times NAV_{m(i)t})$$

where:

$Nm_{(i)t}$ means, in relation to a Non Risky Fund "i", the number of Units of such Fund currently allocated in the Portfolio at such Valuation Date "t" excluding any Units for which a redemption or subscription order has been executed on the basis of $NAV_{m(i)t}$;

$NAV_{m(i)t}$ means, in relation to a Non Risky Fund "i", the Net Asset Value per Unit of such Fund prevailing on the Valuation Date "t" after deduction of any redemption fees or subscription fees or other costs otherwise payable in relation to such Non Risky Fund "i" PROVIDED THAT if as a

result of a Disruption Event the Net Asset Value per Unit of the Fund is not available, the Calculation Agent shall determine its good faith estimate of $NAV_{m(i)t}$.

Asset 3 means, in respect of any Valuation Date, the sum of the market values of the Other Instruments allocated in the Portfolio, determined by the Calculation Agent on the basis of a customary relevant marked to market revaluation method on such Valuation Date.

Asset 4 means, in respect of any Valuation Date, the sum of the market values of the components of the Cash allocated in the Portfolio as part of the Non Risky Asset, determined by the Calculation Agent on the basis of a customary relevant marked to market revaluation method on this Valuation Date.

III. DEFINITIONS OF THE FEES AND COSTS

Accrued Management Fees means, in respect of any Valuation Date "t", the sum of the fees linked to the management of the Portfolio underlying the Notes ("Fees(i)") accrued - between two successive Valuation Dates (designated as "i-1" and "i") - from and including the Issue Date (or the latest "payment date", if any) to but excluding such Valuation Date "t", determined by the Calculation Agent, in accordance with the following formula:

$$\text{Accrued Management Fees}_t = \sum_{i=t-n}^t \text{Fees}_{(i)}$$

with :

$$\text{Fees}_{(i)} = F \times \text{Portfolio Value}_{(i-1)} \times \frac{N(i-1;i)}{365}$$

where:

"F" means the percentage specified as such in the applicable Final Terms.

"Portfolio Value_(i-1)" is the Portfolio Value on the Valuation Date "i-1".

"N_(i-1;i)" means the actual number of calendar days between the two successive Valuation Dates "i-1" and "i", the first one included and the second one excluded.

"n" and "payment date" : refer to footnote (1) below.

Accrued Borrowing Costs means, on any Valuation Date "t", the sum of the borrowing costs borne by the Portfolio accrued - between two successive Valuation Dates (designated as "i-1" and "i") - from and including the Issue Date (or the latest "payment date", if any) to but excluding such Valuation Date "t"; it shall be calculated as follows:

$$\text{Accrued Borrowing Costs}_t = \sum_{i=t-n}^t \text{BC}_{(i)}$$

where:

$$\text{BC}_{(i)} = \left[(Rate + Margin) \times \text{Portfolio Value}_{(i-1)} \times \frac{N(i-1;i)}{360} \right] \times \text{Max} \left(RAE_{(i-1)} - 100\%; 0 \right)$$

where:

"Rate" means, as specified in the applicable Final Terms, IBOR (1M,i-1) determined according to the Specified Currency mentioned in such Final Terms; for instance :

- "USD-LIBOR(1M,i-1)" means the rate of deposits in USD for a period of 1 month on the Valuation Date "i-1" based on the Reuters screen page LIBOR01 (or any successor page), or any rate which would replace such rate, or otherwise any rate selected by the Calculation Agent; and
- "EURIBOR(1M,i-1)" means the rate of deposits in EUR for a period of 1 month on the Valuation Date "i-1" based on the Reuters screen page EURIBOR01 (or any successor page), or any rate which would replace such rate, or otherwise any rate selected by the Calculation Agent.

"Margin means the margin specified in the applicable Final Terms. Margin may change from time to time according to market conditions, provided that it shall never be greater than the margin specified in the applicable Final Terms.

"RAE_(i-1)" means the Risky Asset Exposure on Valuation Date "i-1"

"n" and "payment date": refer to footnote (1) below.

Structuring Fees means the structuring fees borne by the Portfolio on the Initial Determination Date and determined by the Calculation Agent in accordance with the following formula:

$$\text{Aggregate Nominal Amount} \times \text{SF}$$

where:

SF means the percentage specified as such in the applicable Final Terms.

Other Fees and **Other Cost** means any other fees or other cost as may be specified in the applicable Final Terms.

- (1) "n" means the number of Valuation Dates between the latest "payment date" (inclusive) and the Valuation Date "t" (exclusive).

"payment date" means, in respect of any accrued management fees or borrowing costs, the date of payment of such management fees or such borrowing costs.

IV. ADJUSTMENTS AND EXTRAORDINARY EVENTS

In taking any action pursuant to the provisions below the Calculation Agent and the Portfolio Manager shall act in good faith and in the best interest of the Noteholders.

1) In relation to any Risky Fund / Unit

The events listed from (a) to (n) below apply where "Permanent Selection" is specified in the Final Terms, the same applies except paragraphs (a), (c), (f) and (k) where "One to One" is specified in the Final Terms and only paragraphs (b), (d), (e) and (l) apply where "Dynamic Selection" is specified in the Final Terms; in addition in such later case (Dynamic Selection specified) the consequences listed under (i) and (ii) do not apply.

In the event of the occurrence of any of the following events affecting a Risky Fund:

- a closure, for any reason, of any subscriptions in the Fund;
- a material or substantial modification of the conditions of the Fund (including, without limitation, a change in the currency, strategies, objectives, guidelines and/or investment policies of the Fund), a modification of the Fund Prospectus or any event or any change affecting the Fund and/or the Units (including, without limitation, interruption, breakdown, suspension or deferral of the calculation or of the publication of the net asset value of the Units, or the disappearance of the net asset value of the Units resulting more particularly from, but not limited to, the winding-up or the termination of the Fund or the cancellation of the

registration or of the approval by any relevant authority of the Fund) and which, in the reasonable opinion of the Calculation Agent and the Portfolio Manager, is likely to have a significant effect on the value of the Units;

- (c) a substantial modification in the proportion of the type of assets in which the Fund may invest, as determined in good faith by the Calculation Agent and the Portfolio Manager, which would not necessarily lead to a modification of the Fund Prospectus, and that, in the reasonable opinion of the Calculation Agent, has or is likely to have a significant effect on the conditions of the hedging arrangements to be entered in respect of the Notes;
- (d) a reduction for any reason (including but not limited to the reduction of the Aggregate Nominal Amount of the Outstanding Notes to an amount below EUR 1,000,000 or its equivalent in the Specified Currency) of the number of Units held or likely to be held by Société Générale Asset Management Banque or any of its affiliates, as holder of Units of the Fund for hedging or management purposes;
- (e) a non execution or partial execution, or a suspension by the Fund for any reason of a subscription or redemption order given by Société Générale Asset Management Banque or any of its affiliates, for hedging or management purposes;
- (f) an increase after the Issue Date of the commissions or any taxes in respect of a purchase or redemption of Units or any change in the taxation adversely affecting any payment made by the Fund to the holder of the Units of the Fund, and which, in the reasonable opinion of the Calculation Agent and the Portfolio Manager, has or is likely to have a significant effect on the conditions of any hedging arrangements entered into in respect of the Notes;
- (g) an increase in the holding by Société Générale Asset Management or any of its affiliates of up to 20 per cent. (unless otherwise specified in the Final Terms) in the underlying Fund or a reduction of the Fund's total net assets below EUR 25,000,000 (unless otherwise specified in the Final Terms) and which, in the reasonable opinion of the Calculation Agent and the Portfolio Manager, has or is likely to have a significant effect on the management conditions of the Fund and/or its operating expenses;
- (h) a conversion of the Units into another class of Units or securities or the subdivision, consolidation, merger, sale or other conveyance of all or substantially all the assets of the Fund, to a third party;
- (i) a capital or extraordinary distribution in cash which does not constitute the normal dividend policy of the Fund;
- (j) a reduction of the Fund's total net assets by an amount which, in the reasonable opinion of the Calculation Agent and the Portfolio Manager, has or is likely to have a significant effect on the management conditions of the Fund and/or its operating expenses;
- (k) the existence, as determined by the Calculation Agent, of any irregularity in the calculation of the Net Asset Value per Unit where the value resulting from such calculation differs from the level at which Units may be purchased or redeemed;
- (l) any other similar events, which in the reasonable opinion of the Calculation Agent and the Portfolio Manager, has or is likely to have a significant effect on the conditions of any hedging arrangements entered into in respect of the Notes;
- (m) the liquidation or dissolution of the manager and/or the trustee/custodian of the Fund, or any of the same becomes subject to bankruptcy or regulatory proceedings;
- (n) a cancellation, suspension, or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund;

then, the Portfolio Manager together with the Calculation Agent may:

- (i) make adjustments to the definition of Portfolio_i, Portfolio_t and/or Portfolio_f as the Portfolio Manager considers appropriate and for the purpose of subparagraph (h) only, replace the Units by the kind and number of units or other securities and property receivable on such conversion, subdivision, consolidation, merger, sale or conveyance by a holder of Units prior to such conversion, split, consolidation, merger, sale or conveyance for the purposes of determining the value of the Units and make any adjustment (if necessary) to the value of such Units or to the terms of the Notes; or
- (ii) substitute the Fund, in whole or in part, with a new underlying asset with similar economic characteristics, or incorporate an additional underlying risky asset in the Portfolio, and make adjustments to the definition of Portfolio_i, Portfolio_t and/or Portfolio_e, and to the terms of the Notes if necessary; provided that any partial substitution and any incorporation of additional risky asset may only be made by the entity appointed as Portfolio Manager as specified in the applicable Final Terms and not by the Calculation Agent; or
- (iii) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In the case where an Early Redemption Event occurs, then the Notes shall no longer be linked to the performance of the Risky Asset and the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount as if it were a redemption for taxation reasons or an Event of Default on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Should the event cease on or after the decision of the Calculation Agent and the Portfolio Manager to early redeem the Notes, any Noteholder will not be entitled to any additional payment to the Early Redemption Amount whether of interest or otherwise and no liability in respect thereof shall attach to the Issuer, nor to the Dealer, the Portfolio Manager nor to the Calculation Agent.

2) In relation to an underlying equity index

Upon the occurrence of any event affecting an underlying equity index as detailed in Part 1 of the Equity Technical Annex, the Calculation Agent may in its sole discretion decide to make any adjustment to the underlying equity index or the Notes as set in Part 2 of the Equity Technical Annex to the Prospectus; however in the event that the underlying equity index ceases to be quoted or calculated, the Calculation Agent may decide in its sole discretion either, to substitute the underlying equity index for another index having similar characteristics or to redeem the Notes at their market value as calculated on the basis of the last published quotation of the underlying equity index and in accordance with provision "Early Redemption" set below.

The Early Redemption Amount payable upon the occurrence of an event affecting the underlying equity index as mentioned above will be paid or caused to be paid to the Noteholders as if it were a redemption for taxation reason or an Event of Default on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Should the event cease on or after the decision of the Calculation Agent and the Portfolio Manager to redeem early the Notes, no Noteholder will be entitled to any additional payment of the Early Redemption Amount whether of interest or otherwise and no liability in respect thereof shall attach to the Issuer, or to the Dealer, the Portfolio Manager or to the Calculation Agent.

E) NON EQUITY SECURITY TECHNICAL ANNEX

PART 1 - DEFINITIONS

Non Equity Security means a note or a certificate or a bond or a warrant or any other security other than a share, an index, a share or a fund unit, or a share of an investment company or an American depositary receipt or a credit risk, the name of which appears in the applicable Final Terms and subject to adjustments pursuant to the provisions of Part 2 “Events and adjustments” below.

Valuation Date means any date specified as such in the Final Terms.

PART 2 - EVENTS AND ADJUSTMENTS

- (a) In case of the occurrence at any time on or prior to the last Valuation Date of the material or substantial modifications of the conditions of the Non Equity Security (such as but not limited to modification of the legal documentation related thereto) or any event or any change affecting the Non Equity Security (such as but not limited to definitive interruption of quotation of the Non Equity Security or termination of the obligations of the Issuer of the Non Equity Security under the Non Equity Security for any reason) and that, in the reasonable opinion of the Calculation Agent, is likely to have a significant effect on the value of the Non Equity Security, then, the Calculation Agent may,
 - (i) adjust any terms of the Notes, it determines appropriate, in order to take into account the economic effect on the Notes of such event; or
 - (ii) substitute the Non Equity Security with a new underlying asset;
 - (iii) consider such event as an event triggering the termination of the Notes (a **Termination Event**).
- (b) If a Termination Event occurs in respect of the Non Equity Security on or before the Maturity Date, then, the Calculation Agent shall determine, in good faith, the fair market value of the Notes and the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the Termination Event, the amount determined by the Calculation Agent in respect of each Note.

Part 3 - CALCULATIONS - PHYSICAL DELIVERY

The provisions of Part 3 of the Equity Technical Annex shall apply *mutatis mutandis* to Notes to which this Non Equity Security Technical Annex applies as specified in the Final Terms.

F) DEFINITIONS RELATING TO FORMULAS

- + means that the item preceding this sign is added to the item following this sign.
- – means that the item following this sign is deducted from the item preceding this sign.
- / means that the item preceding this sign is divided by the item following this sign.
- X or * means that the item preceding this sign will be multiplied by the item following this sign.
- > means that the item preceding this sign is strictly greater than the item following this sign. When used in a condition, it means that the item preceding this sign must be strictly higher than the item following this sign for the condition to be met. E.g. “If $X > Y$ then,…” means that X must be strictly greater than Y for the condition to be met.
- < means that the item preceding this sign is strictly lower than the item following this sign. When used in a condition, it means that the item preceding this sign must be strictly lower than the item following this sign for the condition to be met. E.g. “If $X < Y$ then,…” means that X must be strictly lower than Y for the condition to be met.
- \geq means that the item preceding this sign is equal to or higher than the item following this sign. When used in a condition, it means that the item preceding this sign must be equal to or greater than the item following this sign for the condition to be met. E.g. “If $X \geq Y$ then,…” means that X must be equal to or greater than Y for the condition to be met.
- \leq means that the item preceding this sign is equal to or lower than the item following this sign. When used in a condition, it means that the item preceding this sign must be equal to or lower than the item following this sign for the condition to be met. E.g. “If $X \leq Y$ then,…” means that X must be equal to or lower than Y for the condition to be met.
- i, j or k means in respect of the item to which it applies which can be without limitation a date (e.g. “Valuation Date (i)”), an underlying (e.g. “Share (i)”) or a combination of underlyings (e.g. “Basket (i)”) or a figure obtained pursuant to a formula (e.g. “Coupon (i)”), the designation of such item within a countable list, with the use of the variable i, j or k.
- i from X to Y means that within the countable list of the designated item to which i applies (as defined above), only the items with a rank between X and Y both included (X and Y are numbers) are considered.
- i from X to Y and $\neq i0$ by extension the item ranked i0 is excluded from the above list.
- i^k means, when an item is designated in a list by 2 variables, the designation of such item in the list. e.g. “Share i^k ” with Valuation Date (k) means “Share(i) on the Valuation Date(k).”
- Min [X;Y] means that the considered value is the lowest value between the values of the two numbers X and Y. If the two values X and Y are positive, the value that will be retained by application of this formula, will be the value that is the lowest of these two positive values (e.g. Min [3;2] 2 will be retained). If X is positive and Y negative, Y will be the value retained by application of this formula (e.g. Min [3; -2], -2 will be retained) . If X is negative and Y positive, X will be the

value retained by application of this formula (e.g. Min [-3;2], -3 will be retained). If both X and Y are negative values, the value retained by application of this formula will be the greatest negative value (e.g. Min [-3; -2], -2 will be retained). If X is positive and Y equal to 0 (e.g. Min [3; 0], Y = 0 will be retained) and if X is negative and Y equal to 0 (e.g. Min [-3; 0], X = -3 will be retained). The same rule applies, if more than two values are considered.

- **Max [X;Y]** means that the considered value is the highest value between the values of the two numbers X and Y. If the two values X and Y are positive, the value that will be retained by application of this formula, will be the value that is the highest of these two positive values (e.g. Max [3;2], 3 will be retained). If X is positive and Y negative, X will be the value retained by application of this formula (e.g. Max [3; -2], 3 will be retained). If X is negative and Y positive, Y will be the value retained by application of this formula (e.g. Max [-3;2], 2 will be retained). If both X and Y are negative values, the value retained by application of this formula will be the least negative value (e.g. Min [-3; -2], -2 will be retained). If X is positive and Y equal to 0 (e.g. Max [3; 0], X = 3 will be retained) and if X is negative and Y equal to 0 (e.g. Max [-3;0], Y = 0 will be retained). The same rule applies, if more than two values are considered.
- **Min_{i from X to Y}** means that the considered value of the item to which it applies, will be the lowest of the different values that such item can take determined pursuant to the rules of Min above, when its rank in the list varies from X to Y. e.g. Min_{i from 1 to 5} Share(i) means that the relevant value to be considered is the lowest value amongst the 5 values that Share(i) takes.
- **Max_{i from X to Y}** means that the considered value of the item to which it applies, will be the greatest of the different values that such item can take determined pursuant to the rules of Max above when its rank in the list varies from X to Y. e.g. Max_{i from 1 to 5} Share(i) means that the relevant value to be considered is the greatest value amongst the 5 values that Share(i) takes.
- $\sum_{n=1}^X$ or Sum_{n from 1 to X} means, for the item to which it applies, the sum of the X values that the item will take. e.g. $\sum_{n=1}^{10}$ Basket (n) means the sum of the 10 values that Basket (n) takes when n varies from 1 to 10.
- $\frac{1}{X} \cdot \sum_{n=1}^X$ means for the item to which it applies, the arithmetic average of the values that the item will take. E.g. $\frac{1}{10} \cdot \sum_{n=1}^{10}$ Basket (n) means the arithmetic average of the 10 values that Basket (n) takes.
- **|X|** or **Abs (X)** or **absolute value of X** means that even if X has a negative value this negative value will be disregarded. E.g. |-10| means that the value to be retained is 10.
- **Xⁿ** means that the value to be considered is the result of X multiplied by itself “n-1” times. E.g. 2⁵ means 2*2*2*2*2 (i.e. 2 multiplied by itself 4 times) = 32.
- **√X** or **the square root of X** means that the value to be considered is the number which when multiplied by itself gives X. E.g. √9 = 3 since 3*3 = 9.

- $\prod_{n=1}^x$ means, for the item to which it applies, the product of the x values that the item will take. E.g.
 $\prod_{n=1}^3 (n + 1)$ means $(1 + 1)(2 + 1)(3 + 1) = 2 \times 3 \times 4 = 24$

G) OTHER DEFINITIONS

The applicable Final Terms may contain other definitions not specifically referred to in this Technical Annex (including, without limitation, Knock-In Level, Knock-Out Level and Exchange Price). The meanings and/or functions of such definitions will be set out in full in the Schedule to the applicable Final Terms.

USE OF PROCEEDS

The net proceeds from each issue of Notes by Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe will be applied for the general financing purposes of the Société Générale group of companies, which include making a profit. If, in respect of any particular issue, there is a particular identified use of proceeds, it will be stated in the applicable Final Terms.

DESCRIPTION OF SOCIÉTÉ GÉNÉRALE

Please refer to the cross reference list for Société Générale in the “*Documents Incorporated by Reference*” section.

Recent Developments

Since 1 January 2007, Société Générale issued the following undated Subordinated Notes:

- USD 1,100,000,000 fixed/floating rate notes
- USD 200,000,000 floating rate notes
- GBP 350,000,000 fixed/floating rate notes

DESCRIPTION OF SGA SOCIETE GENERALE ACCEPTANCE N.V.

Information relating to SGA Société Générale Acceptance N.V.

SGA Société Générale Acceptance N.V. was incorporated on 7 October 1986 for an unlimited duration as a limited liability company under the laws of the Netherlands Antilles.

SGA Société Générale Acceptance N.V.'s head office is located at Landhuis Joonchi, Kaya Richard J. Beaujon z/n Curaçao, Netherlands Antilles. SGA Société Générale Acceptance N.V. is registered in the Commercial Register of the Chamber of Commerce and Industry at Curaçao, Netherlands Antilles under no 45500. Its telephone number is 59 99 736 62 77.

The financial year of SGA Société Générale Acceptance N.V. runs from 1 January to 31 December. SGA Société Générale Acceptance N.V.'s legal and commercial name is "SGA Société Générale Acceptance N.V.".

The purpose and objects of SGA Société Générale Acceptance N.V. pursuant to its Deed of Incorporation is to invest its funds in securities, such as shares and other certificates of participation, and bonds and in other interest-bearing debentures (under whatever name and in whatever form), to borrow money and to issue certificates of indebtedness therefor, as well as to lend money within the group to which SGA Société Générale Acceptance N.V. belongs and to provide security in any form on behalf of third parties (article 2 of the bye-laws).

Organisational Structure/Major Shareholders

SGA Société Générale Acceptance N.V. has no subsidiaries.

SGA Société Générale Acceptance N.V. is a 100 per cent. owned subsidiary of Société Générale and is a fully consolidated company.

SGA Société Générale Acceptance N.V. is a finance company whose main business is raising debt to be on-lent to Société Générale and other members of the Group.

SGA Société Générale Acceptance N.V. is a member of the Société Générale group: a simplified organisational chart is set out on pages 18-19 of the 2007 Registration Document of Société Générale.

Share Capital

The registered issued share capital of SGA Société Générale Acceptance N.V. is USD560,000 divided into 560,000 ordinary fully paid up shares of USD1 each.

General Meetings of Shareholders

Each of the managing directors and the supervisory directors, and shareholders together representing at least ten per cent. of the issued share capital of SGA Société Générale Acceptance N.V., are entitled to convene general meetings of shareholders.

The annual general meeting of shareholders of SGA Société Générale Acceptance N.V. must be held within nine months after the end of each financial year.

Shareholders are entitled to one vote per share. Resolutions proposed at annual general meetings of shareholders require a clear majority of votes cast or, in the case of a resolution to dissolve SGA Société Générale Acceptance N.V. or to amend its articles, a majority of three-quarters of votes cast in a meeting where at least three-quarters of the issued shares are represented.

Business Overview/Principal Activities/Principal Markets

Securities issued by SGA Société Générale Acceptance N.V. are listed in Paris, Luxembourg, Frankfurt, Düsseldorf, London, Amsterdam, Brussels, Stockholm and Zurich.

Administration and Management of SGA Société Générale Acceptance N.V.

Pursuant to its Deed of Incorporation, SGA Société Générale Acceptance N.V. is managed by a management board consisting of one or more managing directors under the supervision of a board consisting of one or more supervisory directors.

The members of the management board are United International Trust N.V. (the statutory directors of which are Gregory E. Elias and Robertus J.G.A. Bremer) Christophe Leblanc and Grégoire Varenne.

The members of the supervisory board are Bruno Dejoux and Jean-Luc Parer. Christophe Leblanc and Grégoire Varenne currently hold full-time management positions at Société Générale.

Gregory Elias and Robertus J.G.A. Bremer currently hold the respective positions of Managing Director – Chairman and Managing Director of United International Trust N.V.

The business address of Christophe Leblanc and Grégoire Varenne is Société Générale, Tour Société Générale, 92987 Paris-La Défense Cedex. The business address for all other directors of SGA Société Générale Acceptance N.V., including the directors of United International Trust N.V., is that of the head office of SGA Société Générale Acceptance N.V. (as above).

There are no conflicts of interest between any duties owed by the members of the management board and the supervisory board to SGA Société Générale Acceptance N.V. and their private interests and/or other duties.

To the best of its knowledge and belief, SGA Société Générale Acceptance N.V. complies with the corporate governance regime of the Netherlands Antilles.

Indebtedness

SGA Société Générale Acceptance N.V. has the equivalent (calculated on 31 December 2006) of USD 91,427,536,000 total indebtedness.

Financial information concerning SGA Société Générale Acceptance N.V.

The audited annual financial statements for the financial years ended 31 December 2005 and 31 December 2006 of SGA Société Générale Acceptance N.V. and the related notes and audit reports for each such year are incorporated by reference in this Debt Issuance Programme Prospectus (see page 36).

SGA usually issues notes, warrants and other types of indebtedness. The entire amount of the proceeds of such issuances is invested in financial instruments with similar characteristics. Therefore cash-flows generated in SGA's business are considered as operating cash-flows and are nil in net amount.

SELECTED FINANCIAL INFORMATION FOR SGA SOCIÉTÉ GÉNÉRALE ACCEPTANCE NV

BALANCE SHEET AS AT 31 DECEMBER 2006

(in 000's USD)

ASSETS	31/12/2006	31/12/2005
<u>INTERBANK AND MONEY MARKET ASSETS</u>	91,393,407	71,458,641
Due from banks	446	1,586
Loans to banks	91,040,083	71,120,018
Accrued interest on loans to banks	352,878	337,037
<u>DEBT SECURITIES</u>	—	—
Euro Medium Term Notes	—	—
Accrued interest on debt securities	—	—
<u>ACCRUALS AND OTHER ACCOUNTS RECEIVABLE</u>	49,806,620	15,301,036
<u>RECEIVABLES ON DEBT SECURITIES</u>	377,244	334,141
Redemption premium	377,244	334,141
<u>FINANCIAL INSTRUMENTS BOUGHT</u>	47,692,205	13,207,703
Premiums on interest rate options	—	—
Premiums on foreign exchange options	227,931	250,159
Premiums on stock index and equity options	46,419,702	12,486,302
Premiums on commodity options	1,044,572	471,242
<u>OTHER ACCRUALS AND ACCOUNTS RECEIVABLE</u>	1,737,171	1,759,192
Prepaid expenses	—	—
Accrued income	1,420	641
Other receivables	1,735,751	1,758,551
<u>FIXED ASSETS</u>	—	—
Intangible assets	10	10
Amortization of intangible assets	10	10
Total assets	141,200,027	86,759,676

LIABILITIES	31/12/2006	31/12/2005
<u>INTERBANK AND MONEY MARKET LIABILITIES</u>	66	357
Due to banks	66	357
Term borrowing	–	–
<u>DEBT SECURITIES IN ISSUE</u>	91,427,536	71,520,214
Euro Medium Term Notes	64,406,621	52,466,839
Bonds	26,668,036	18,716,337
Accrued interest on debt securities in issue	352,879	337,037
<u>ACCRUALS AND OTHER ACCOUNTS PAYABLE</u>	49,770,990	15,237,670
<u>PAYABLES ON DEBT SECURITIES</u>	342,670	270,982
Premiums on debt securities	342,670	270,982
<u>FINANCIAL INSTRUMENTS SOLD</u>	47,692,240	13,140,615
Premiums on foreign exchange warrants	227,931	250,159
Premiums on stock index and equity warrants	46,419,737	12,419,214
Premiums on commodity warrants	1,044,572	471,242
<u>OTHER ACCRUALS AND ACCOUNTS PAYABLE</u>	1,736,081	1,826,073
Accrued expenses	330	425
Other payables	1,735,751	1,825,648
<u>SHAREHOLDERS' EQUITY</u>	1,435	1,435
Share capital	560	560
Retained earnings	875	875
Current year profit	–	–
Total liabilities	141,200,027	86,759,676

INCOME STATEMENT FOR THE PERIOD ENDING 31 DECEMBER 2006

EXPENSE (USD 000)	31/12/2006	31/12/2005
<u>EXPENSE</u>	100,845,470	21,808,151
<u>EXPENSE ON INTERBANK TRANSACTIONS</u>	9,199,637	2,101,382
Interest paid on current accounts	219	41
Interest paid on bank borrowings	9,199,419	2,101,341
<u>EXPENSE ON DEBT SECURITIES</u>	8,872,129	4,000,271
Interest paid on debt securities	8,872,129	4,000,271
Amortization of discounts on debt securities	—	—
Losses on proceeds of debt securities	—	—
Fees paid on debt securities	—	—
<u>EXPENSE ON FINANCIAL INSTRUMENTS</u>	82,773,703	15,706,498
Expense on foreign exchange options & warrants	629,235	549,233
Expense on interest rate options & warrants	—	—
Expense on stock index and equity options and warrants	79,926,969	14,443,830
Expense on commodity options & warrants	2,217,499	713,435
<u>OTHER EXPENSE</u>	593	581
Operating expense	310	377
Insurance premiums	3	3
Audit fees	30	15
Local taxes	—	—
Other operating costs	249	185
NET INCOME	0	—
TOTAL EXPENSE	100,846,063	21,808,732

INCOME (USD 000)	31/12/2006	31/12/2005
<u>INCOME</u>	100,845,283	21,808,091
<u>INCOME ON INTERBANK TRANSACTIONS</u>	7,035,372	4,095,747
Interest received on current accounts	45	29
Interest received on loans to banks	2,203,256	1,593,716
Gains and amortization of discounts on term borrowing	4,832,072	2,502,002
<u>INCOME ON DEBT SECURITIES</u>	11,036,208	2,005,846
Interest received on debt securities	—	—
Amortization of premium on debt securities	—	—
Gains on proceeds of debt securities	11,036,208	2,005,846
<u>INCOME ON FINANCIAL INSTRUMENTS</u>	82,773,703	15,706,498
Income on foreign exchange warrants & options	629,235	549,233
Expense on interest rate warrants & options	—	—
Income on stock index and equity warrants and options	79,926,968	14,443,830
Income on commodity warrants sold	2,217,499	713,435
<u>OTHER INCOME</u>	779	641
Operating income	779	641
TOTAL INCOME	100,846,063	21,808,732

CASH FLOW STATEMENT

(in millions of USD)

	31/12/06	31/12/05
Net cash flow from operating activities	—	—
<i>Non monetary items :</i>		
- Depreciation and amortization	—	—
<i>Bond Debt</i>		
Issuing : EMTN	- 22,769	- 22,273
Issuing : Bonds	- 13,666	- 13,462
Redemptions : EMTN	14,434	12,385
Redemptions : Bonds	7,855	3,204
<i>Forward financial instruments commitments sold :</i>		
Warrants premium sold	- 56,461	- 9,013
<i>Interbank activities and Cash</i>		
Subscriptions of term loans (PLP)	36,435	35,735
Redemption of term loans (PLP)	- 22,289	- 15,589
<i>Forward financial instruments commitments bought :</i>		
Option premiums bought	56,461	9,013
<i>Other cash inflow/(outflow) from banking activities</i>		
Accrued interest paid on debt securities	- 2,196	- 1,594
Accrued Interest received on loan to banks	2,196	1,594
Dividends received from subsidiaries	—	—
Income tax	—	—
Other	—	—
Change in working capital	I + II	—
<i>Net cash inflow/(outflow) from investing activities</i>	I	
Purchase of fixed assets	—	—
Proceeds from sale of fixed assets	—	—
Purchase/proceeds from sale of affiliates and other long term investments	—	—
Net cash inflow/(outflow) from other investing activities	—	—

Capital transactions	II	—	—
Capital increase		—	—
Subordinated Debt increase/decrease		—	—
Dividends paid			
<hr/>			
Net Cash Flow	(b+c-a)	—	—
<hr/>			
Cash : Opening balances	(a)	1	1
Cash : Closing balances	(b)	1	1
Impact of the variations in exchange rate	(c)	—	—
<hr/>			

DESCRIPTION OF SG OPTION EUROPE

Information relating to SG Option Europe

SG Option Europe was incorporated on 1 June 1987 for an initial duration of 99 years as a limited liability corporation (*société anonyme*) established under French law and has the status of an investment company.

SG Option Europe's head office is located at 17 Cours Valmy – 92800 Puteaux, France and is registered in the *Registre du Commerce* (Commercial Register) under n° 341 369 833 RCS Nanterre France. Its telephone number is 33(0)1 42 13 66 40.

The financial year of SG Option Europe runs from 1 January to 31 December. SG Option Europe's legal and commercial name is “SG Option Europe”.

The purpose of SG Option Europe is to carry out both within and outside France, for its own account or for the account of international or national customers:

- the provision of all investment services and services related to investment services, pursuant to articles 4 and 5 of French law 96-597 dated 2 July 1996, and all other activities authorized by the CECEI;
- the direct or indirect participation in any operation related to its activity by way of incorporation or take over of new companies, contribution, subscription, purchase of equity or ownership rights, merger, partnership or otherwise; and
- in accordance with the legal provisions in force, to engage in any financial or commercial operations related directly or indirectly to the activities mentioned above or any other activities likely to facilitate the realisation of the activities mentioned above.

More generally, SG Option Europe carries out its activities in compliance with its license (*entreprise d'investissement*) (article 3 of the bye-laws).

Organisational Structure/Major Shareholders

SG Option Europe has one subsidiary “Sofom” which is a fully consolidated company.

SG Option Europe is a 99.99 per cent owned subsidiary of Genefinance which is a subsidiary of Société Générale and is a fully consolidated company.

SG Option Europe is a member of the Société Générale group: a simplified organisational chart is set out at pages 18-19 of the 2006 Registration Document of Société Générale.

Share Capital

The authorised and issued share capital of SG Option Europe is EUR 6,512,000 divided into 407,000 fully paid up shares with a nominal value of EUR 16 per share.

Meetings of Shareholders

Meetings are convened and held in accordance with the legal provisions in force. They are held at the head office of SG Option Europe or at any other place specified in the convocation notice.

The right of a Shareholder to attend meetings depends both on the proof of his identity and the fulfilment of all the requirements mentioned in the convocation notice. In particular, Shareholders must justify at least five days before the date of the meeting that the shares are not available for sale.

The Board of directors can reduce this period through a general decision applying to all shareholders.

In the case of a division of Share property, only the holder of the voting right can attend or be represented at the meeting.

Business Overview/ Principal Activities/Principal Markets

SG Option Europe carries out trading activities for its own account on derivatives contracts on shares and indices traded on the English and French regulated markets.

- In France, SG Option Europe has intervened directly since 1995 on *Euronext Derives Paris* (ex Moneyp: whose name was changed further to the modification of the trading platform on the Liffe.Connect system on 14 April 2003) acting as dealer, cleared by Parel. SG Option Europe remains the entity for the Société Générale Group that gives access to the listed futures and options market in France.
- In Great-Britain, where SG Option Europe operates on the basis of a European passport for free provision of investment services, the company has been a remote member of the London Stock Exchange since the beginning of 1998 and of Liffe since March 2000, where SG Option Europe undertakes negotiation activities solely for its own account or for the account of any other Liffe members. SG Option Europe's activities fulfil all the requirements of the 1997 Finance Act, and the company is not liable for the payment of stamp duty since it is considered as an intermediary of the London Stock Exchange and an option intermediary on the Liffe.

Administration and Management of SG Option Europe

Pursuant to the “*Statuts*”, the Business affairs of SG Option Europe are administered by a Board of Directors composed of seven directors (Luc François, Maxime Kahn, Raymond Bunge, Pierre Mina, Jean-Michel Torny, Christophe Mianne and Isabelle Sipma) appointed by Ordinary General Meeting for a duration of six years.

The day-to-day activities of the Company are under the responsibility of Luc François, Chairman and Chief Executive Officer, Maxime Khan, Chef Executive Officer and Raymond Bunge, Chief Executive Officer.

The Audit Committee is composed of the Chairman, the members of the Board of Directors, the Chief Executive Officers, the finance manager, the accounting manager as well as the investment services compliance officer who organises and chairs its meetings. The Audit Committee is responsible for supervising the implementation of the accounting and control policies of SG Option Europe.

Managers, directors and the employees of SG Option Europe are located at SG Option Europe's head office.

There are no conflicts of interest between any duties owed to SG Option Europe by the members of the management board and the supervisory board and their private interests and/or other duties.

To the best of its knowledge and belief, SG Option Europe complies with the French corporate governance regime.

Indebtedness

SG Option Europe has the equivalent of EUR 20 038 382 total indebtedness (as at 31 December 2005).

Number of employees

The number of SG Option Europe's employees was reduced from 4.5 at the end of 2004 to 2 at the end of 2005. Broadly, its evolution is a result of a complete transfer of the support services (accounts department, back-office, ...) to SG Paris' services.

Financial information concerning SG Option Europe

The audited annual financial statements for the financial years ended 31 December 2004 and 31 December 2005 of SG Option Europe and the related notes and audit reports for each such year, as well as the unaudited financial statements for the period ended 30 June 2006, are incorporated by reference in this Prospectus.

SG Option Europe publishes both interim non-audited financial statements and audited annual financial statements. SG Option Europe does not publish consolidated financial statements.

Auditors

The auditors of SG Option Europe are Ernst & Young Audit (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mrs Isabelle Santenac, Faubourg de l'Arche, 92037 Paris-La Défense Cedex, France and Deloitte & Associés (formerly named Deloitte Touche Tohmatsu) (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mr José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine Cedex, France, who have audited SG Option Europe's accounts, without qualification, in accordance with generally accepted auditing standards in France, for each of the two financial years ended on 31 December 2004 and 31 December 2005 and have reviewed the interim financial statements for the period ended 30 June 2006. The auditors of SG Option Europe have no material interest in SG Option Europe.

SELECTED FINANCIAL INFORMATION FOR SG OPTION EUROPE

BALANCE SHEET AS AT 31 DECEMBER 2005

ASSETS (€ 000)	December 05	December 04
Cash, central banks and post office	-	-
Treasury bills	-	-
Bank receivables	13,896,220	9,718,904
<i>Sight</i>	93,530	9,001
<i>Term</i>	13,737,848*	9,709,903
Accounts receivable	239,733	2,835
<i>Commercial accounts receivable</i>	-	-
<i>Other accounts receivable</i>	239,733	2,835
<i>Ordinary accounts in debit</i>	-	-
Factoring	-	-
Bonds and other fixed income securities	2,524,678	1,571,889
Equities and other variable income securities	9,199,434	5,800,872
Property development	-	-
Investments and other long-term securities	189	189
Shares in affiliates	125,439	123,320
Financing leases and leases with purchase option	-	-
Operating leases	-	-
Intangible assets	-	-
Tangible assets	37	2
Capital subscribed but not paid up	-	-
Treasury stock	-	-
Trading and settlement accounts	56,246	185,838
Other assets	29,123,224	12,289,958
Accrual accounts	866,775	329,095
Total assets	56,031,975	30,022,902

* During the preparation of its 2006 financial statement, the Company detected an error in the presentation of the 2005 balance sheet, which impacted on the Provisions for Risks and Contingencies line item in the liability side and the Term Bank Receivables line item in the asset side. This error will be corrected in the 2005 balance sheet that will be presented as a comparative in the 2006 financial statements. The published amount for the provision for risks and contingencies as of December 31, 2005 is €286 435 000, and the restated amount is € 221 593 000; the published amount for the Term Bank Receivables as of December 31, 2005 is € 13 802 690 000, and the restated amount is €13 737 848 000. The 2005 financial information items derived from the 2005 balance sheet presented below reflect the correction of the error, and consequently differs from the information previously provided for those line items.

LIABILITIES (€ 000)	December 05	December 04
Cash, central banks and post office	-	-
Bank liabilities	13,790,130	7,896,871
<i>Sight</i>	516,684	1,347,794
<i>Term</i>	13,273,446	6,549,077
Client accounts in credit	2,841	2,337
<i>Special savings accounts</i>	-	-
<i>Sight</i>	-	-
<i>Term</i>	-	-
<i>Other liabilities</i>	2,841	2,337
<i>Sight</i>	694	19
<i>Term</i>	2,147	2,318
Liabilities represented by securities	6,245,411	4,282,963
Certificates of deposit	-	-
Interbank market securities and tradable debt securities	-	-
Bonds	6,245,411	4,282,963
Other liabilities represented by securities	-	-
Other liabilities	34,574,528	17,293,961
Accrual accounts	968,427	375,946
Trading and settlement accounts	30,250	2,242
Provisions for risks and contingencies	221,593 [†]	54,591
Regulatory provisions	-	1
Investment subsidies	-	-
Mutual guarantee deposits	-	-
General banking reserves	-	-
Subordinated debt	-	-
Subscribed capital	6,512	6,512
Issue premium	18,224	18,224
Reserves	4,200	4,200
Value adjustment	-	-
Retained profit	3	4
Profit for the year	105,014	85,050
Total liabilities	56,031,975	30,022,902

[†] During the preparation of its 2006 financial statement, an error was detected in the presentation of the 2005 balance sheet, which impacted on the Provisions for Risks and Contingencies line item on the liability side and the Term Bank Receivables line item on the asset side. This error will be corrected in the 2005 balance sheet that will appear as a comparative in the 2006 financial statements. The published amount for the provision for risks and contingencies as of December 31, 2005 is €286 435 000, and the restated amount is € 221 593 000; the published amount for the Term Bank Receivables as of December 31, 2005 is € 13 802 690 000, and the restated amount is €13 737 848 000. The 2005 financial information items derived from the 2005 balance sheet presented above reflect the correction of the error, and consequently differ from the information previously provided for those line items.

INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2005

Income Statement (€ 000)	December 05	December 04
+ Interest income	423,462	293,939
- Interest expense	845,142	475,068
+/- Fixed income securities activities	- 88,212	- 7,368
+/- Stock borrowing and lending activities	- 121,940	- 10,750
+ Income from variable income securities	115	1,024
+ Commissions (income)	11,172	2,920
- Commissions (expenses)	20,191	28,958
+/- Gain (loss) on trading portfolio activities	795,966	335,667
+/- Gain (loss) on investment portfolio activities	-	-
+ Other income from banking activities	1,118	2,086
- Other expenses from banking activities	5,423	27
Net banking income	150,924	113,465
- General operating expenses	37,647	30,030
- Depreciation, amortisation and provisions for intangible and tangible assets	7	5
Gross profit from operations	113,270	83,430
+/- Cost of risk	-	-
Profit from operations	113,270	83,430
+/- Gain (loss) on fixed assets	2,119	2,044
Ordinary profit before tax	115,389	85,474
+/- Exceptional income (loss)	-	-
- Income tax	-10,375	-424
+/- General banking and regulatory provisions (reversal)	-	-
Net income	105,014	85,050

BALANCE SHEET AS AT 30 JUNE 2006

ASSETS (€ 000)	June 06	December 05
Cash, central banks and post office	-	-
Treasury bills	-	-
Banks receivable	16,022,420	13,896,220
<i>Sight</i>	4,886,534	93,530
<i>Term</i>	11,135,886	13,737,848 [‡]
Accounts receivable	1,079,661	239,733
<i>Commercial accounts receivable</i>	-	-
<i>Other accounts receivable</i>	1,079,661	239,733
<i>Ordinary accounts in debit</i>	-	-
Factoring	-	-
Bonds and other fixed income securities	3,243,832	2,524,678
Equities and other variable income securities	13,991,401	9,199,434
Property development	-	-
Investments and other long-term securities	189	189
Share in affiliates	125,439	125,439
Financing leases and leases with purchase option	-	-
Operating leases	-	-
Intangible assets	22	-
Tangible assets	10	37
Capital subscribed but not paid up	-	-
Treasury stock	-	-
Trading and settlement accounts	672,475	56,246
Other assets	32,685,394	29,123,224
Accrual accounts	2,292,235	866,775
Total assets	70,113,078	56,031,975

[‡] During the preparation of its 2006 financial statement, an error was detected in the presentation of the 2005 balance sheet, which impacted on the Provisions for Risks and Contingencies line item on the liability side and the Term Bank Receivables line item on the asset side. This error will be corrected in the 2005 balance sheet that will appear as a comparative in the 2006 financial statements. The published amount for the provision for risks and contingencies as of December 31, 2005 is €286 435 000, and the restated amount is € 221 593 000; the published amount for the Term Bank Receivables as of December 31, 2005 is € 13 802 690 000, and the restated amount is €13 737 848 000. The 2005 financial information items derived from the 2005 balance sheet presented above reflect the correction of the error, and consequently differ from the information previously provided for those line items.

LIABILITIES (€ 000)	June 06	December 05
Cash, central banks and post office	-	-
Bank liabilities	21,294,439	13,790,130
<i>Sight</i>	5,188,467	516,684
<i>Term</i>	16,105,972	13,273,446
Customer accounts in credit	2,951	2,841
<i>Special savings accounts</i>	-	-
<i>Sight</i>	-	-
<i>Term</i>	-	-
<i>Other liabilities</i>	2,951	2,841
<i>Sight</i>	71	694
<i>Term</i>	2,880	2,147
Liabilities represented by securities	6,669,709	6,245,411
<i>Certificates of deposit</i>	-	-
<i>Interbank market securities and tradable debt securities</i>	-	-
<i>Bonds</i>	6,669,709	6,245,411
<i>Other liabilities represented by securities</i>	-	-
Other liabilities	36,815,949	34,574,528
Accrual accounts	4,798,260	968,427
Trading and settlement accounts	98,026	30,250
Provisions for risks and contingencies	278,029	221,593 [§]
Regulatory provisions	-	-
Investment subsidies	-	-
Mutual guarantee deposits	-	-
General banking reserves	-	-
Subordinated debt	-	-
Subscribed capital	6,512	6,512
Issue premium	18,224	18,224
Reserves	4,200	4,200
Value adjustment	-	-
Retained profit	8	3
Profit for the year	126,771	105,014
Total liabilities	70,113,078	56,031,975

[§] During the preparation of its 2006 financial statement, an error was detected in the presentation of the 2005 balance sheet, which impacted on the Provisions for Risks and Contingencies line item on the liability side and the Term Bank Receivables line item on the asset side. This error will be corrected in the 2005 balance sheet that will appear as a comparative in the 2006 financial statements. The published amount for the provision for risks and contingencies as of December 31, 2005 is €286 435 000, and the restated amount is € 221 593 000; the published amount for the Term Bank Receivables as of December 31, 2005 is € 13 802 690 000, and the restated amount is €13 737 848 000. The 2005 financial information items derived from the 2005 balance sheet presented above reflect the correction of the error, and consequently differ from the information previously provided for those line items.

INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2006

INCOME STATEMENT (€ 000)		June 06	December 05	June 05
+	Interest income	340,786	423,462	201,601
-	Interest expense	278,841	845,142	416,649
+/-	Fixed income securities activities	- 103,129	- 88,212	18,916
+/-	Stock borrowing and lending activities	75,088	- 121,940	- 103,388
+	Income from variable income securities	144	115	28
+	Commissions (incomes)	8,755	11,172	1,431
-	Commissions (expenses)	12,326	20,191	9,764
+/-	Gain (loss) on trading portfolio activities	127,856	795,966	390,001
+/-	Gain (loss) in investment portfolio activities	-	-	-
+	Other incomes from banking activities	2	1,118	726
-	Other expenses from banking activities	5,329	5,423	17
Net banking income		153,006	150,924	82,885
-	General operating expenses	24,936	37,647	17,835
-	Deprecation, amortisation and provisions for intangible and tangible assests	2	7	3
Gross profit from operations		128,068	113,270	65,047
+/-	Cost of risk	-	-	-
Profit from operations		128,068	113,270	65,047
+/-	Gain (loss) on fixed assests	-	2,119	-
Ordinary profit before tax		128,068	115,389	65,047
+/-	Exceptional income (loss)	-	-	-
+/-	Income tax	- 1,297	- 10,375	13,870
+/-	General banking and regulatory provisions (reversal)	-	-	-
Net income		126,771	105,014	78,917

BOOK ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, for the purposes of this section, the **Clearing Systems**) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer and the Guarantor believe to be reliable, but none of the Issuer, the Guarantor nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Guarantor nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (**Participants**) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the **Rules**), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system (**DTC Notes**) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (**Owners**) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts

such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for Definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription and Sale*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its

custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Fiscal Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Subscription and Sale*”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian (**Custodian**) with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Fiscal Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for

delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

THE FOLLOWING SECTION PROVIDES INFORMATION ON TAXES ON THE INCOME FROM THE NOTES WITHHELD AT SOURCE IN RESPECT OF (I) THE COUNTRY OF THE REGISTERED OFFICE OF EACH ISSUER AND (II) THE COUNTRIES WHERE OFFERS OF NOTES MAY BE MADE OR ADMISSION TO TRADING MAY BE SOUGHT. SUCH INFORMATION IS NOT INTENDED TO PROVIDE AN EXHAUSTIVE DESCRIPTION OF THE POTENTIAL TAX ISSUES ASSOCIATED WITH THE NOTES, AND IT DOES NOT CONSTITUTE LEGAL OR TAX ADVICE. ACCORDINGLY, ANY INVESTOR CONSIDERING AN INVESTMENT IN THE NOTES SHOULD OBTAIN INDEPENDENT TAX ADVICE ON THE TAXATION IMPLICATIONS FOR IT, IN EACH RELEVANT JURISDICTION, OF PURCHASING, OWNING OR DISPOSING OF ANY NOTE.

A. JURISDICTION OF THE ISSUERS AND THE GUARANTOR

FRANCE

Payments in respect of Notes issued by Société Générale or SG Option Europe that constitute *obligations* under French law will be made without withholding or deduction for, or on account of, taxes imposed by or on behalf of the Republic of France, as provided by Article 131 *quater* of the *Code général des impôts* (French General Tax Code), if issued outside France. Notes that constitute “*obligations*” under French law will be issued (or deemed to be issued) outside France:

- (i) in the case of syndicated or non-syndicated issues of Notes, if they are denominated in euro as provided in the Circular of the *Direction générale des impôts* dated 30 September 1998;
- (ii) in the case of internationally syndicated issues of Notes denominated in currencies other than euro, if, *inter alia*, the issuers and the relevant Dealers agree, in connection with their initial distribution, not to offer the Notes to the public in the Republic of France. Such securities may be offered in the Republic of France only to “qualified investors” (acting for their own account) as described in Article L.411-2 of the *Code monétaire et financier*; or
- (iii) in the case of non-syndicated issues of Notes denominated in currencies other than euro, if each of the subscribers is domiciled or resident for tax purposes outside the Republic of France.

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

The Directive was implemented into French law under Article 242 *ter* of the *Code général des impôts* (French 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 payments made from 1 July 2005.

NETHERLANDS ANTILLES

SGA Société Générale Acceptance N.V. has been advised that, under present Netherlands Antilles law, payments in respect of the Notes held by persons not resident in, or engaged in trade or business through a permanent establishment in, the Netherlands Antilles and gains realised on the sale or redemption thereof by such persons will not be subject to Netherlands Antilles taxes and that no inheritance tax arises in the Netherlands Antilles on the death of a Noteholder not domiciled in the Netherlands Antilles at the time of death.

B. LUXEMBOURG

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the **Laws**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the **Territories**), 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 or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 15 per cent. during the first three-year period starting 1 July 2005, at a rate of 20 per cent. for the subsequent three-year period and at a rate of 35 per cent. thereafter. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 15 per cent.

(ii) Resident holders of Notes

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

Under the 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 a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

C. OTHER JURISDICTIONS

Any terms defined in this Section C in connection with a particular jurisdiction relate only to the information provided in connection with that jurisdiction.

AUSTRIA

The following is a brief summary of Austrian withholding tax aspects in connection with the Notes. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposal or redemption of the Notes. In some cases a different tax regime may apply. Further, this summary does not take into account or discuss the tax laws of any country other than Austria nor does it take into account the investors' individual circumstances. Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposal, redemption, exercise or settlement of the Notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular Notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor.

This summary is based on Austrian law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. With regard to certain innovative or structured Notes there is currently neither case law nor comments of the financial authorities as to the tax treatment of such financial instruments. Accordingly, it cannot be ruled out that the Austrian financial authorities and courts or the Austrian paying agents adopt a view different from that outlined below.

Withholding Tax

All payments of interest and principal by the Issuers under the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Austria or any political subdivision or taxing authority thereof or therein, in accordance with applicable Austrian laws, subject however to:

- (i) the application of 25 per cent. Austrian withholding tax (*Kapitalertragsteuer*) if income from debt-securities (*Kapitalerträge aus Forderungswertpapieren*) is paid out by a coupon paying agent (credit institutions including Austrian branches of foreign credit institutions paying out the income to the holder of the debt-securities; *kuponauszahlende Stelle*) located in Austria. Income from debt-securities includes (i) interest payments as well as (ii) income, if any, realised upon redemption or prior redemption (being the difference between the issue price and the redemption amount, or in case of prior redemption, the repurchase price - a maximum 2 per cent. tax-exempt threshold applies to specified debt-securities bearing also ongoing coupons (in practice with the exemption of index and other underlying linked debt-securities)) or (iii) realised upon sale of the debt-securities (only to the extent of accrued interest and comparable consideration for future fixed redemption or interest payments but excluding capital gains). In the case of index, share, basket, fund, commodity or other underlying or performance linked debt-securities (**Structured Notes**) including discounted share certificates and bonus certificates, the whole capital gains would be treated as income from debt-securities. Additional special rules on deducting 25 per cent. withholding tax apply to zero coupon debt-securities, cash or share notes (reverse convertibles) and callable yield notes. Further, special withholding tax rules will apply if a re-qualification of index-, portfolio-, asset- or fund-linked Notes into units of a non-Austrian investment fund takes place, which

may occur whenever a portfolio of assets is subject to non-Austrian law and invested in accordance with the principle of risk-spreading.

The 25 per cent. withholding tax constitutes a final taxation (*Endbesteuerung*) for all individuals, no matter whether they act as private investors or hold the debt-securities as business property. Final taxation means that no further income tax will be assessed and the income is not to be included in the investor's income tax return. Final taxation is only applicable to income from debt-securities.

Corporate investors deriving business income from debt-securities may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the coupon paying agent.

Non-resident holders of debt-securities (in case they receive income from the debt-securities through a coupon paying agent located in Austria) may avoid the application of Austrian withholding tax if they evidence their non resident-status vis-à-vis the coupon paying agent by disclosing their identity and address.

Where there is no deduction of Austrian withholding tax because the income from the debt-securities is not received in Austria (not paid out by a coupon paying agent located in Austria) Austrian resident investors will have to declare the income derived from the debt-securities in their income tax returns pursuant to the Austrian Income Tax Act. A special 25 per cent. income tax rate pursuant to Section 37 subparagraph 8 of the Austrian Income Tax Act is applicable.

In general, income from leveraged (turbo) Notes and certificates with a minimum leverage factor of five (the factor relating to the issue price of the Notes and certificates, as compared to the underlyings' prices) should not qualify as income from debt-securities provided that the issuer has complied with specified reporting requirements before the offering of the Notes or certificates in Austria. Therefore, income from such leveraged Notes and (turbo) certificates should neither be subject to withholding tax nor qualify for final income taxation, but be subject to the income and corporate income tax regime applying to speculative or business gains.

- (ii) the application of the Austrian EU Withholding Tax Act 2004 implementing the Savings Directive (see paragraph "*EU Savings Directive*" below), may be applicable if a paying agent in Austria (which might be any Austrian bank holding a securities account for a holder of Notes) pays out interest within the meaning of the Savings Directive to a beneficial owner resident in another Member State than Austria.

EU Savings Directive

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the **Savings Directive**) which came into effect on 1 July 2005, provides for an exchange of information between the authorities of EU Member States regarding interest payments made in one Member State to beneficial owners who are individuals and resident for tax purposes in another Member State. Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*), which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax will be levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another Member State (or in certain dependent or associated territories of EU Member States). The EU Withholding Tax amounts to 15 per cent. during the first three years (post 1 July 2005), 20 per cent. for the subsequent three years and 35 per cent. thereafter.

Withholding tax will be deducted upon actual or deemed interest payments as well as upon sale, refund or redemption of debt claims. Further, withholding tax will be deducted - on a *pro rata temporis* basis - in case of changes of the individual's withholding tax status such as changes of his country of residence or transfer of his securities to a non Austrian account.

Deduction of EU Withholding Tax can be avoided if the EU-resident investor provides the paying agent with a certificate drawn up in his name by the tax office of his Member State of residence. Such certificate has to

indicate, inter alia, the name and address of the paying agent as well as the account number of the investor or the identification of the Notes.

The scope of the definition of interest payments for EU Withholding Tax purposes may differ from the scope of interest payments for Austrian income and withholding tax purposes. For example, under certain conditions and subject to the guidelines and information issued by the Austrian Ministry of Finance, income from share linked debt-securities, index linked debt-securities or fund linked debt-securities may or may not be considered as interest for EU Withholding Tax purposes while being interest for Austrian tax purposes.

BELGIUM

Set out below is a summary of certain Belgian tax consequences of acquiring, holding and selling the Notes. This summary is not intended to be an exhaustive description of all relevant Belgian tax considerations and investors should consult their own tax advisors regarding such considerations in relation to their own particular circumstances. The description of certain Belgian taxes set out below is for general information only and does not purport to be comprehensive.

This summary is based on current legislation, published case law and other published guidelines and regulations as in force at the date of this Base Prospectus and remains subject to any future amendments, which may or may not have retroactive effect.

Belgian income tax

Belgian resident individuals

For individuals subject to Belgian personal income tax, and who are not holding Notes as professional investors, all interest payments (as defined in the Belgian Income Tax Code) will be subject to the tax regime described below. Interest payments include all payments made in excess of the issue price. In case of redemption of the Notes by the Issuer, interest includes the difference between the redemption price and the issue price.

If interest is paid through a Belgian intermediary, such intermediary must withhold withholding tax. The current applicable withholding tax rate is 15 per cent.. No other personal income tax will be levied on this income. If no Belgian intermediary is involved in the interest payment, the investor must declare this interest as income in his or her personal income tax return. Such income will, in principle, be taxed separately, currently at a rate of 15 per cent. (plus the applicable municipal surcharge).

Any capital gain upon a sale of Notes, not allocated to the professional activity of the individual, to a party other than the Issuer, except for that part of the sale price attributable to the pro rata interest component, is in principle tax exempt (unless the tax authorities can prove that the capital gain does not result from the normal management of a non-professional investment). The investor must declare the interest as income in his or her personal income tax return. Such income will in principle be taxed separately, currently at a rate of 15 per cent. (plus the applicable municipal surcharge), unless it can be demonstrated that such income will be subject to Belgian withholding tax upon maturity.

If a Luxembourg or Austrian intermediary has applied a levy according to the EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the **Savings Directive**), this levy does not free the Belgian individual from the obligation to declare the interest income in the personal income tax return. However, this levy will be credited against the personal income tax, and any excess amount will be refunded. The levy can also apply to interest paid through paying agents of certain dependant or associated territories (including Jersey, Guernsey, Isle of Man, Turks and Caicos Islands, the Dutch Antilles and the British Virgin Islands).

Losses on the Notes held as a non-professional investment cannot usually be deducted.

Belgian companies

Belgian companies subject to corporate tax are in principle entitled to an exemption from Belgian withholding tax on interest payments. However, for the exemption to apply certain formalities must be complied with.

For zero or capitalization bonds, the above exemption will not apply, unless the Belgian company and the Issuer are associated companies within the meaning of article 105, 6° RD/ITC. Nevertheless, Belgian companies are in principle entitled to set off Belgian withholding tax against their corporate income tax liability provided certain conditions are fulfilled.

For any Belgian company subject to Belgian corporate income tax, all interest and any gain on a sale of the Notes will form part of that company's taxable profit. Losses on the Notes are, in principle, tax deductible.

Other Belgian legal entities subject to the legal entities income tax

For other Belgian legal entities subject to the legal entities income tax, all interest payments (as defined by the Belgian Income Tax Code) will be subject to withholding tax, currently at a rate of 15 per cent. Interest includes all payments made in excess of the issue price as well as capital gains realised upon redemption of the Notes by the Issuer.

If this interest is paid through a Belgian intermediary, such intermediary will have to levy withholding tax, currently at the rate of 15 per cent. No other legal entities income tax will be levied on this income. If no Belgian intermediary is involved, the withholding tax must be declared and paid by the legal entity itself.

Any capital gain on a sale of the Notes to a party not being the Issuer will, in principle, be tax exempt, except for that part of the sale price attributable to the pro rata interest component. Such interest is subject to withholding tax, currently at the rate of 15 per cent. This withholding tax must be paid by the legal entity itself, unless it can demonstrate that the withholding tax will be paid at maturity.

Non-residents

Income from foreign debt instruments collected through a Belgian intermediary is subject to a 15 per cent. withholding tax.

However, a non-resident not holding the Notes through a Belgian establishment can obtain a withholding tax exemption for income on foreign Notes paid through the intervention of a Belgian financial institution, by a Belgian stock broker or by a Belgian recognized clearing or settlement institution, provided the Notes are (i) held in full ownership or in usufruct, (ii) not held for professional purposes in Belgium and (iii) subject to compliance with appropriate formalities.

Noteholders who are non-residents of Belgium for Belgian tax purposes, are not holding the Notes through a Belgian establishment and do not invest the Notes in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax) by reason only of the acquisition, ownership or disposal of the Notes.

In accordance with the Savings Directive and on the basis of the Belgian law of 17 May 2004, which implements the Savings Directive in Belgium, interest accrued and paid as from 1 July 2005 by a Belgian paying agent to an individual beneficial owner resident in a European Union Member State other than Belgium is subject to a levy for the State of residence (the **Levy**).

The rate of the levy is 15 per cent. for the first three years after the Law has become effective; 20 per cent. for the next three years and 35 per cent. thereafter (article 4 Law 17 May 2004). The Law provides that this levy

will not be retained if the beneficial owner presents to the paying agent a certificate issued in his or her name by the relevant tax authority of the Member State of which he or she is a resident (article 5 Law 17 May 2004). The levy for the State of residence also applies to interest paid through a Belgian paying agent to residents of certain dependant or associated territories (including the Dutch Antilles, Aruba, Guernsey, Isle of Man, Jersey, the British Virgin Islands and Montserrat).

Tax on stock exchange transactions

The sale and acquisition of the Notes will be subject to a tax on stock exchange transactions if executed in Belgium through a professional intermediary. The tax is generally due at a rate of 0.07 per cent. on each sale and acquisition separately, with a maximum of EUR 500 per taxable transaction. Exemptions apply for certain categories of institutional investors and non-residents. Transactions on the primary market are no longer subject to the tax on stock exchange transactions.

Tax on the physical delivery of bearer securities

The physical delivery of bearer securities is subject to a 0.6 per cent. tax on physical delivery if such delivery is subsequent to (i) the secondary market acquisition for consideration through a financial intermediary, (ii) the transformation from registered into bearer form, or (iii) the release from deposit with a credit institution, stock broker, company for asset management or the Interprofessional Securities Depository and Giro Bank (*“Interprofessionele Effectendeposito- en Girokas or Caisse Interprofessionnelle de Dépôts et de Virements de Titres”*). An exemption exists in respect of the physical delivery of bearer securities to certain financial intermediaries.

Estate and gift duties

The Notes will be subject to Belgian estate duties if they form part of the estate of a deceased person who, at the time of his or her death, is considered to be a Belgian resident for Belgian tax purposes. The gift of the Notes pursuant to a notarial deed passed before a Belgian notary, gives rise to the mandatory registration of the deed and an obligation to pay gift duties in Belgium.

Savings Directive

Under the Savings Directive, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State.

However, during a transitional period, Belgium, Luxembourg and Austria are instead required to operate a withholding system in relation to such payments, unless they expressly elect otherwise during this transitional period. A number of non-EU countries and territories, including Switzerland, have adopted similar measures (being a transitional withholding system in the case of Switzerland).

The current withholding tax rate applicable to such payments is 15 per cent. However, this rate will increase to 20 per cent. after 1 July 2008 and then 35 per cent. after 1 July 2011.

BULGARIA

General

This summary is based on the tax legislation, published case law, treaties, regulations and published policy in force as of the date of this Prospectus, although it does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect.

This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

The summary set out in this section applies to all Noteholders, including residents and non-residents of Bulgaria assuming that the Issuer is not resident in Bulgaria and has no place of business in Bulgaria.

For tax purposes, persons are classified according to whether they are individuals or legal entities with applicable taxes on income derived from the Notes regulated by Individuals Income Tax Act 2006 (effective from 1 January 2007) with respect to individuals and the Corporate Income Tax Act 2006 (effective from 1 January 2007) with respect to legal entities.

Bulgarian resident legal entities are entities established in accordance with Bulgarian laws, as well as the companies established in accordance with Council Regulation (EC) Number 2157/2001 and cooperatives established in accordance with Council Regulation (EC) Number 1435/2003, provided their seat is in Bulgaria and they are registered in a Bulgarian register.

Non-resident entities are those that are not resident entities. Non-resident legal entities are taxed with respect to profit realised through a place of business in Bulgaria and income tax with respect to income which source is in Bulgaria.

Bulgarian individual residents, without regard to their citizenship are persons who (a) have a permanent address in Bulgaria or (b) reside on Bulgarian territory for more than 183 days during each 12-month period, or whose centre of critical interest is in Bulgaria.

Non-resident individuals are those individuals that are not resident in Bulgaria.

Non-Residents

Interest

Under Bulgarian law if interest is paid by a non-resident person, by a person that is not a trade representative or an entity that does not have a place of business or a defined base in Bulgaria, the non-resident's income would not have Bulgaria as its source and would not be subject to withholding tax.

No withholding tax would be levied even if the income is from interest and discounts from Bulgarian sovereign, municipal or corporate bonds and is accrued/paid for the benefit of a non-resident individual who is a European Union/European Economic Area resident for tax purposes.

Non-resident legal entities' income from financial assets issued by resident legal entities, sovereign issuer or municipalities have as their source Bulgaria, and the same are taxed with a final withholding tax in the amount of 10 per cent.

Capital Gains

Income from a sale, swap and other transfer for consideration of shares, interests, compensatory instruments, investment vouchers or other financial assets which non-resident individuals receive would not be taxed if such income is not derived from Bulgaria.

No withholding tax would be levied if income is received by a non-resident individual as a result of transactions with shares of publicly listed companies, tradable rights of publicly listed companies or shares and interests in collective investment schemes made on a regulated Bulgarian securities market and provided that the non-resident individual is resident for tax purposes in the European Union/European Economic Area.

Non-resident legal entities' income from transactions with financial assets issued by resident legal entities, the sovereign or municipalities have its source in Bulgaria and would be taxed with a final withholding tax in the amount of 10 per cent. If the income payor is a non-resident or a place of business in Bulgaria the withholding tax is paid by the income recipient.

No withholding tax would be levied on income received by non-resident legal entities from disposition of shares of publicly listed companies and shares and interests in collective investment schemes when the dispos is made on a Bulgarian regulated securities market.¹

Residents

Interest

Any payment of interest by the Issuer to Bulgarian Residents (individuals and legal entities) shall be subject to taxation pursuant to the general rules of the Bulgarian Corporate Taxation Act 2006 and the Bulgarian Individuals Income Tax Act 2006 subject to the above.

Capital Gains

Any Capital Gains on Notes realised by Bulgarian Residents (individuals and legal entities) shall be subject to taxation pursuant to the general rules of the Bulgarian Corporate Taxation Act 2006 and the Bulgarian Individuals Income Tax Act 2006 subject to the above.

Value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of the cash payment made under the Notes, or in respect of a transfer of Notes.

Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in Bulgaria by a holder of the Notes in respect of, or in connection with, the subscription, issue, placement, allotment, delivery or transfer of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required (from 1 July 2005) to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries including Switzerland have agreed to adopt similar measures (a withholding system, which in the meantime has been implemented, in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information

¹ According to the definition in § 1. item 21 of the Corporate Income Tax Act 2006: "Disposition made on a regulated Bulgarian securities market" includes transactions: (a) entered into on the official and unofficial regulated market in the country for the purposes of the Public Offering of Securities Act save for block and other securities transactions which according to the rules of the regulated market are solely subject to registration at the regulated market; (b) entered into in accordance with the procedure for tender offers under Chapter Eleven, Division II of the Public Offering of Securities Act, as well as transactions under the terms and in accordance with the procedures of the Public Offering of Securities Act.

or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

CYPRUS

The following is a general description of certain tax aspects of the Notes under Cypriot law as at the date of this Prospectus and does not purport to be a comprehensive description of all tax aspects relating to the Notes. Prospective investors should consult their tax and other professional advisers as to the specific tax consequences of acquiring, holding and disposing of the Notes.

Income Tax

With effect from 1 January 2003, amendments were introduced to the tax system in Cyprus pursuant to which the basis of taxation is now one of tax on worldwide income on the basis of residency. For the purpose of establishing residency under the provisions of the Income Tax Law, Law 118(I)/2002 (the **Income Tax Law**) a person is resident for tax purposes in Cyprus where (i) in the case of a natural person, that person is present in Cyprus for one or more periods that exceed in the aggregate 183 days in the tax year or (ii) in the case of a company its management and control is exercised in Cyprus. The tax year for the purpose of the Income Tax Law coincides with the calendar year.

Under the provisions of the Income Tax Law, the whole of the interest income of an individual is exempt from taxation and 50 per cent, of the interest income of a company subject to certain conditions is also exempt from taxation. Furthermore, a resident of Cyprus who receives interest or is credited with an amount of interest will be liable to a withholding of 10 per cent, on the interest received or credited pursuant to the provisions of the Special Contribution for the Defence of the Republic Law, Law 117(I)/2002. The definition of residence as defined in section 2 of the Income Tax Law is equally applicable for the provisions of the Special Contribution for the Defence of the Republic Law, Law 117(I)/2002.

Persons (natural and legal) who are not resident for tax purposes pursuant to the provisions of the Income Tax Law will not be liable to any charge to income tax or the special contribution for the defence of the Republic.

Stamp Duty

Following the enactment of the Stamp Duty (Amendment) (No.2) Law 2002, section 4 of the Stamp Duty Law, Law 19/1963 as amended provides that:

“(1) every instrument specified in the First Schedule shall be chargeable with duty of the amount specified in the said Schedule as the proper duty therefore respectively if it relates to any asset situated in the Republic or to matter or things which shall be performed or done in the Republic irrespective of the place where the document is made”.

Withholding Tax

There is no withholding tax payable in Cyprus on interest and dividends to non-Cypriot tax residents.

CZECH REPUBLIC

General

The information set out relates only to Czech withholding tax and does not deal with any other Czech tax consequences of the purchase, holding and disposal of the Notes and it does not purport to be a complete analysis of all Czech tax considerations relating to the Notes that may be relevant to a decision to purchase the Notes.

Interest Income

As the Issuers are not resident in the Czech Republic for tax purposes payments of interest on the Notes will not be subject to Czech withholding tax.

Capital gains

Income realised by an individual who is not for tax purposes treated as a resident of the Czech Republic or of a person other than an individual which is not for tax purposes treated as a resident of the Czech Republic (**Non-Czech Holders**), not holding the Notes through a permanent establishment in the Czech Republic, from the sale of the Notes to an individual who is for tax purposes treated as a resident of the Czech Republic or to a person (other than an individual) which is for tax purposes treated as a resident of the Czech Republic or to an organisational unit of the Czech state (**Czech Holders**) or to a permanent establishment in the Czech Republic, will be subject to taxation in the Czech Republic, unless the Non-Czech Holder realising the income or gains is resident in a country which has a double taxation treaty with the Czech Republic, pursuant to the terms of which the Czech Republic may not impose any income or capital gains tax on income or capital gains realised by the Non-Czech Holder from the sale of the Notes.

If income realised by a Non-Czech Holders, not holding the Notes through a permanent establishment in the Czech Republic, from the sale of the Notes is subject to taxation in the Czech Republic (as discussed in the foregoing paragraph), the Czech Holder or a permanent establishment in the Czech Republic of a Non-Czech Holder paying the income will be obliged to withhold an amount of one per cent. on a gross basis representing tax security, unless the Non-Czech Holder is for tax purposes a resident of a member state of the European Union or the European Economic Area.

DENMARK

The following relates only to Danish withholding tax and does not deal with any other Danish tax implications of acquiring, holding or disposing of the Notes.

As the Issuer is not resident in Denmark, payments of interest or principal on the Notes will not be subject to Danish withholding tax.

As a matter of Danish domestic tax law, payments of interest or principal made by a Danish borrower to a creditor under a loan are, as a rule, not subject to any Danish withholding tax.

However, interest payments and certain principal payments made by a Danish borrower pursuant to an intra-group loan to an affiliated foreign company (as defined in Section 3B of the Danish Tax Control Act of 24 November 2005, as amended) are subject to a Danish withholding tax of 30 per cent., unless it falls under at least one of the following categories under Danish tax law:

- the affiliated foreign creditor has a permanent establishment in Denmark to which such interest income is attributed;
- withholding tax must be waived or reduced under the Interest/Royalty Directive (2003/49/EU), provided that the Danish borrower and the foreign creditor are associated as defined under this Directive for a consecutive period of a minimum of one year, during which the interest payments are effected;
- withholding tax must be waived or reduced under a tax treaty to which Denmark is a party;
- the affiliated foreign creditor is controlled (as defined under Danish CFC rules) by a Danish entity;

- the affiliated foreign creditor is controlled by an entity resident in a country that has concluded a tax treaty with Denmark, provided that such entity is subject to CFC taxation on the interest payments pursuant to the CFC taxation rules of that country; or
- the affiliated foreign creditor can demonstrate that it would not be subject to Danish CFC legislation if it was controlled by a Danish entity and further provided that the affiliated foreign creditor does not reassign the interest payments to an entity that under Danish law would be deemed a CFC company.

Payments may be subject to Danish withholding tax irrespective of the above if the beneficiary of the payments is not the beneficial owner (e.g. if the beneficiary of the payments reassigns the payments to a person or entity resident in a jurisdiction other than Denmark).

ESTONIA

The following summary is not intended to be a complete analysis of the tax consequences under Estonian law as a result of the acquisition, ownership and sale of the Notes by investors. Potential investors should, therefore, consult their own tax advisers on the tax consequences of such acquisition, ownership and sale, including specifically the tax consequences under Estonian law, the law of their jurisdiction of residence and any tax treaty between Estonia and their jurisdiction of residence

The following is a brief summary of the principal Estonian tax consequences for the Noteholders.

Income Taxation

Taxation of interest

Taxation of resident legal persons

Under the Estonian Income Tax Act enacted on 1 January 2000, resident legal persons are not subject to annual corporate income tax. Instead, the distributions of dividends, payment of gifts and fringe benefits and expenses not related to business activities is subject to income tax of 22/78 on the net amount of the distribution or payment (by 2009 the income tax rate shall be decreased to 20/80). Therefore, the interest received from a foreign issuer of notes is not taxed unless distributed in the form of dividends. French companies and companies incorporated in the Netherlands Antilles will not be required to withhold income tax in Estonia pursuant to the Estonian legislation.

Please be aware that acquisition of the securities issued by a low-tax territory entity will be subject to income tax of 22/78 in Estonia on behalf of the acquirer if the securities will not be traded on the regulated market whether abroad or in Estonia or if there is no intention to trade on the regulated market within 12 months after issue.

Taxation of resident natural persons

Resident natural persons are taxed on all interest accrued from loans, securities, leases or other debt obligations. The income tax rate is 22 per cent. (which will be reduced to 20 per cent. by 2009). Please be aware that income tax is not charged on interest paid to a resident natural person by a credit institution resident in one of the Member States of the European Union and a branch of a non-resident credit institution entered in the Estonian Commercial Register. Since the Issuers do not have permanent establishments in Estonia, they would not be required to withhold income tax on 22 per cent. in Estonia. A resident natural person will be required herself/himself to declare and pay income tax of 22 per cent. on the interest income.

Transfer of Notes

Taxation of resident legal persons

As indicated above, resident legal persons do not pay annual corporate income tax. Therefore, such resident legal persons will not be taxed on any gain realised from the sale of the Notes. The profit accumulated from the sale of such Notes will be taxed on distribution of dividends.

Taxation of resident natural persons

The resident natural persons are taxed on the gains realised from the sale or exchange of any transferable and monetarily appraisable objects, including securities. The income tax rate is 22 per cent.

Taxation of non-residents – General information

DTT network

Estonia has Conventions for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital, with a substantial number of countries including France (effective from 1 January 1996).

Taxation of Interest

Interest payments made to non-residents will not be subject to withholding tax in Estonia unless the amount of interest paid significantly exceeds the effective market rate paid on a comparable debt instrument. The excessive interest will be subject to withholding tax of 22 per cent. Please be aware that only the Estonian issuer of the notes or a non-resident having a permanent establishment in Estonia will be required to withhold Estonian income tax of 22 per cent. Since none of the issuers has a permanent establishment in Estonia and the recipient of the interest is a non-resident, the Estonian law will not apply to payment of such interest.

Stamp Duty

No stamp duty is payable upon transfer of Notes in Estonia.

FEDERAL REPUBLIC OF GERMANY

The following discussion of certain German tax consequences of buying, holding or disposing of the Notes is based on tax laws, regulations, decisions, judgments and administrative decrees currently in effect, which may be amended or construed differently, potentially with retroactive or retrospective effect. This section is limited to the question of a potential withholding tax in Germany and therefore does not refer to any other tax considerations which are relevant to the decision of any potential purchaser with respect to buying, holding or disposing of a Note. In particular, it does not refer to any tax liability on the level of the respective purchasers. This means that the following text exclusively refers to the issue as to whether any payments of the Issuers are subject to a withholding. The information contained in the following section is not intended as and does not purport to be legal or tax advice.

Due to the limited scope of the following discussion, potential investors in the Notes are strongly advised to consult their own tax advisers as to the German and other tax consequences of buying, holding or disposing of the Notes.

Withholding Tax on Interest Income

If the Notes are held in a custodial account maintained by a German Holder with a German branch of a German or foreign bank or financial services institution (a **German Disbursing Agent**), which pays or credits the interest including interest accrued to a disposal of a Note and which is credited separately (**Accrued Interest**; *Stückzinsen*), a 30 per cent. withholding tax (*Zinsabschlagsteuer*) on interest payments, including Accrued Interest received, plus a 5.5 per cent. solidarity surcharge (*Solidaritätszuschlag*) thereon, will be levied, resulting in a total withholding tax charge of 31.65 per cent. on the gross amount of interest paid. Accrued Interest paid by a German Holder upon the purchase of the Notes may be set-off against the amount of interest income received by such German Holder and, under certain circumstances, may reduce the amount subject to withholding tax. If the Notes are presented for payment or credit at the office of the German Disbursing Agent (over-the-counter-transaction; *Tafelgeschäft*) the withholding tax will be imposed at a rate of 35 per cent. (plus a 5.5 per cent. solidarity surcharge thereon), resulting in a total tax charge of 36.925 per cent.

Withholding tax on capital gains or on redemption proceeds

To the extent that Notes are classified as financial innovations (**Financial Innovations**; *Finanzinnovationen*), special provisions apply with respect to a potential withholding tax imposed on capital gains or proceeds from the disposal or redemption, or upon maturity, of such Notes. In particular, debt instruments may be classified as Financial Innovations if they provide for a floating rate, an issue discount or certain optional redemption rights. Upon the disposal or redemption, or upon maturity of Notes that are classified as Financial Innovations, a 30 per cent. withholding tax (plus a solidarity surcharge of 5.5 per cent. thereon) will be imposed on the difference between the proceeds from the disposal or redemption and the purchase price of the Notes, provided that the Notes are held in a custodial account by the same German Disbursing Agent since the acquisition of the Notes. If the Notes have not been so held by the same German Disbursing Agent, withholding tax will be imposed at the rate of 30 per cent. (plus a solidarity surcharge of 5.5 per cent. thereon) of the proceeds received upon the disposal or redemption, or upon the maturity, of the Notes. If the Notes are presented for payment or credit at the office of the German Disbursing Agent (over-the-counter transaction; *Tafelgeschäft*) the withholding tax rate will be 35 per cent. (plus a 5.5 per cent. solidarity surcharge thereon).

Exemption from withholding tax and solidarity surcharge

If the Noteholder is an individual to whom income from the Notes constitutes income from a capital investment and such Noteholder has filed a certificate of exemption (*Freistellungsauftrag*) with the German Disbursing Agent, no tax will be withheld by the German Disbursing Agent to the extent that the interest income derived from the Notes together with other investment income administered by the German Disbursing Agent does not exceed the maximum exemption amount shown on this certificate. Similarly, no tax will be withheld if the Noteholder submits to the German Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

Credit or refund of withholding tax and solidarity surcharge

Withholding tax and the solidarity surcharge thereon might be credited as prepayments against the German Holder's final tax liability for German personal or corporate income tax purposes and the respective solidarity surcharge, or, if in excess of such final tax liability, refunded upon application.

Responsibility for withholding

The responsibility for withholding taxes on interest payments, capital gains or proceeds made to or realised by the Noteholder lies with the respective German Disbursing Agent and not with the Issuers. The Issuers will not pay any additional amounts in order to make up for a possible withholding tax or for the solidarity surcharge.

FINLAND

The following is a summary based on current Finnish law relating only to persons who are generally tax liable in Finland and regarding Finnish withholding tax treatment of payments in respect of the Notes. Investors are

advised to seek professional advice relating to tax consequences in respect of acquiring, holding or disposal of Notes.

Payments regarding the Notes may be made without withholding on account of Finnish income tax. However, according to Finnish domestic tax legislation, certain Finnish financial institutions, if acting as paying agents, may be obliged to withhold tax of 28 per cent. on interest payments made to individuals who are generally tax liable in Finland.

GREECE

The following is a summary of certain Greek tax considerations, which may be relevant to the acquisition, ownership and disposal of the Notes in Greece. The summary does not purport to be, nor should it be relied upon, as a comprehensive description or analysis of all the tax considerations, which may be relevant to a decision to acquire Notes.

The summary is based on tax laws and regulations in effect in Greece on the date hereof which are subject to change without notice. Prospective purchasers or holders of Notes should consult their own tax advisors as to the Greek or other tax consequences arising from the acquisition, ownership and disposition of the Notes, having regard to their particular circumstance.

According to Greek tax law as of 1 January 2007, a withholding tax of 10 per cent. is imposed on payments of interests received by Greek residents from notes issued by a foreign corporation, subject to any applicable double taxation treaty. The withholding tax obligation is imposed on the Greek paying agent, whereas if the Noteholder keeps the interest abroad no such withholding is applicable. In any case Noteholders subject to Greek taxation are required to report such income in their annual tax return, in which case the 10 per cent. tax withheld fully discharges the Noteholders' tax liability; however, for Mutual Funds and Portfolio Management Companies which are taxed on the basis of their assets, such 10 per cent. tax cannot be offset against their income tax liability.

As regards the Notes issued in France, the double taxation treaty between Greece and France provides that interest on such Notes is taxed in Greece. France may impose tax on interest payments made to Greek residents, according to French tax laws but such tax is limited to 12 per cent. The amount of tax imposed in France, if any, shall be deducted from the tax due in Greece. The aforementioned provisions do not apply to Greek residents having a permanent establishment in France and being subject to French taxation.

There is no double taxation treaty between Greece and the Netherlands-Antilles.

For Greek tax purposes, EU Council Directive 2003/48 on the taxation of savings income has been implemented in Greek law by Law 3312/2005.

HUNGARY

The following is a general discussion of certain Hungarian tax consequences relating to the acquisition and ownership of Notes. It does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is based on laws currently in force in Hungary and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive effect. Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.

Taxation of corporate Noteholders

Under Act LXXXI of 1996 on Corporate Tax and Dividend Tax (the **Corporation Tax Act**), Hungarian resident taxpayers have a full, all-inclusive tax liability. Generally, resident entities are those established under the laws of Hungary (i.e. having a Hungarian registered seat). Foreign persons having their place of management in Hungary are also considered as Hungarian resident taxpayers.

Foreign resident corporations are not subject to withholding tax in Hungary, provided that they do not have a permanent establishment in Hungary.

Taxation of individual Noteholders

Act CXVII of 1995 on Personal Income Tax (the **Personal Income Tax Act**) applies to the tax liability of both Hungarian and foreign private individuals. The tax liability of Hungarian resident private individuals covers the worldwide income of such persons, while foreign resident private individuals' tax liability is limited only to their income originating in Hungary or income that is otherwise taxable in Hungary on the basis of international treaties or reciprocity.

In the case of individual Noteholders, “interest income” is the income paid as interest and the capital gains realised upon the redemption or the sale of publicly offered and publicly traded debt securities.

The withholding tax on interest income is currently 20 per cent.

Proceeds realised by individual Noteholders on the basis of privately offered and traded debt securities will be taxable as “other income”. Capital gains realised by individual Noteholders on such Notes will be taxable at the rate of 25 per cent. Furthermore, a healthcare contribution of 14 per cent. may also be payable on the basis of such capital gains.

Pursuant to the Personal Income Tax Act, interest paid by or on behalf of a legal person or other organisation having a registered seat in a “low tax jurisdiction” or capital gains income realised on securities issued by such person or other organisation is taxable as “other income”. In addition, interest paid by a person having a tax residency in a state which has not concluded a double tax treaty with Hungary is taxable as “other income”.

“Other income” constitutes the part of the private individual's consolidated tax base which is taxed progressively according to the tax brackets (18 per cent. and 36 per cent.). A health care contribution of 11 per cent. may also be payable on the basis of “other income”. Other income realised by foreign resident Noteholders is not taxable in Hungary.

A 'low tax jurisdiction' means a state where tax laws do not impose any tax liability equivalent to corporation tax or if the tax rate is 12 per cent. or less, unless the Republic of Hungary has concluded a double tax treaty with such state.

The rules of the amended Personal Income Tax Act may in certain circumstances impose a requirement upon the “Payor” (*kifizető*) (as defined below) to withhold tax on the interest payments to individual Noteholders.

Pursuant to the Act XCII of 2003 on the Rules of Taxation (**ART**) a Payor means a Hungarian resident legal person, other organisation, or private entrepreneur that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, Payor shall mean the borrower of a loan or the issuer of a note. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, Payor shall mean such stockbroker. In respect of income that is earned in a foreign country and taxable in Hungary, Payor shall mean the “paying agent” (*megbízott*) (legal person, other organization, or private entrepreneur) having tax residency in Hungary, except in cases where the role of a financial institution is limited to performing the bank transfer or payment.

Foreign resident individual Noteholders are not subject to tax in Hungary, provided that they do not have a permanent establishment in Hungary and the interest realised on the basis of the Notes is not paid by the Hungarian permanent establishment of the party obliged to pay interest.

ICELAND

All payments in respect of the Notes may be made without deduction for or on account of withholding taxes imposed by Iceland.

Iceland does however levy a 10 per cent. withholding tax on interest payments made by Icelandic paying agents to Icelandic tax residents, subject to certain exemptions.

IRELAND

The following is a summary of the Irish withholding tax treatment of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of Irish withholding taxes on the Notes.

The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Base Prospectus, which are subject to prospective or retroactive change. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes.

Withholding Tax

No charge to Irish interest withholding tax will arise upon payment of interest on the Notes as such interest is not charged with tax under Schedule D of the Taxes Consolidation Act 1997.

If the interest on the Notes is entrusted to an Irish paying agent or is collected by an Irish collecting agent then Irish encashment tax may be required to be withheld at the standard rate (currently 20 per cent.) from the payments made by the relevant agent.

ITALY

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Programme and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

In the near future, with the approval of the law proposal No. 1762 of 4 October 2006, currently under discussion in the Parliament, the Italian Government could be authorised to introduce a fixed withholding tax on any capital gains and financial incomes not exceeding 20 per cent., which may impact upon the tax regime of the Notes, as described below.

Tax treatment of the Notes

Legislative Decree No. 239 of 1 April 1996, as subsequently amended (**Decree 239**), provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds

(*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers.

Notes with an original maturity higher than 18 months - Italian resident Noteholders

Where the Notes have an original maturity of at least 18 months and an Italian resident Noteholder is (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the “*risparmio gestito*” regime - see under “*Capital gains tax*”, below); (b) a non-commercial partnership; (c) a non-commercial private or public institution; or (d) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the rate of 12.5 per cent. If the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, as clarified by the Italian Ministry of Economics and Finance through Circular No. 47/E of 8 August 2003, payments of interest premium or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and article 14-bis of Law No. 86 of 25 January 1994 are subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund.

Where an Italian resident Noteholder is a company or similar commercial entity and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (the **Fund**) or a SICAV, and the Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund accrued at the end of each tax period, subject to an ad-hoc substitute tax (the **Collective Investment Fund Tax**) applicable at a 12.5 per cent.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each an **Intermediary**).

An Intermediary must (a) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary; and (b) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Noteholder.

Early Redemption

Without prejudice to the above provisions, in the event that Notes having an original maturity of at least 18 months are redeemed, in full or in part, prior to 18 months from their issue date, Italian resident Noteholders will be required to pay, by way of a withholding to be applied by the Italian intermediary responsible for payment of interest or the redemption of the Notes, an amount equal to 20 per cent. of the interest and other amounts accrued up to the time of the early redemption.

Notes with an original maturity of less than 18 months – Italian resident Noteholders

Where the Notes have an original maturity of less than 18 months and an Italian resident Noteholder is (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the “*risparmio gestito*” regime - see under “*Capital gains tax*”, below); (b) a non-commercial partnership; (c) a non-commercial private or public institution or (d) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to *imposta sostitutiva*, tax withheld at source at the rate of 27 per cent.

Imposta sostitutiva will also be levied at rate of 27 per cent. to Italian resident Funds, SICAV and pension funds.

Where an Italian resident Noteholder is a company or similar commercial entity and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation.

Non-Italian resident Noteholders

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Noteholder of interest or premium relating to the Notes provided that, if the Notes are held in Italy, the non-Italian resident Noteholder declares itself to be a non-Italian resident according to Italian tax regulations.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) may be subject to a withholding tax, levied at the rate of 27 per cent.. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value.

The 27 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (a) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (b) a commercial partnership, or (c) a commercial private or public institution.

Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the “status” of the Noteholder, also as part of the net value of production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an individual not holding the Notes in connection with an entrepreneurial activity and certain other persons, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 12.5 per cent. Noteholders may set off losses with gains.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual Noteholder holding Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta*

sostitutiva on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato* regime). Such separate taxation of capital gains is allowed subject to (a) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (b) an express election for the *risparmio amministrato regime* being punctually made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato regime*, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato regime*, the Noteholder is not required to declare the capital gains in its annual tax return.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called “*risparmio gestito*” regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito regime*, the Noteholder is not required to declare the capital gains realised in its annual tax return.

Any capital gains realised by a Noteholder which is an Italian open ended or a closed-ended investment fund or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Collective Investment Fund Tax.

Any capital gains realised by a Noteholder which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. substitute tax.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of the Notes are not subject to *imposta sostitutiva*, provided that the Notes are held outside Italy.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006 (*Decree No. 262*), converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding €1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding €100,000; and
- (c) any other transfer is subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

Transfer tax

Pursuant to Italian Legislative Decree No. 435 of 21 November 1997, which partly amended the regime set forth by Royal Decree No. 3278 of 30 December 1923, the transfer of the Notes may be subject to the Italian transfer tax, which is currently payable at a rate between a maximum of €0.0083 and a minimum of €0.00465 per €51.65 (or fraction thereof) of the price at which the Notes are transferred. Where the transfer tax is applied at a rate of €0.00465 per €51.65 (or fraction thereof) of the price at which the Notes are transferred, the transfer tax cannot exceed €929.62.

However, the transfer tax does not apply, *inter alia*, to: (a) contracts entered into on regulated markets relating to the transfer of securities, including contracts between the intermediary and its principal or between qualified intermediaries; (b) off-market transactions regarding securities listed on regulated markets, provided that the contracts are entered into (i) between banks, SIMs or other financial intermediaries regulated by Legislative Decree No. 415 of 23 July 1996, as superseded by Legislative Decree No. 58 of 24 February 1998, or stockbrokers; (ii) between the subjects mentioned in (i) above, on the one hand, and non-Italian residents, on the other hand; and (iii) between the subjects mentioned in (i) above, even if non-resident in Italy, on the one hand, and undertakings for collective investment in transferable securities, on the other hand; (c) contracts related to sales of securities occurring in the context of a public offering (*offerta pubblica di vendita*) aimed at the listing on regulated markets, or involving financial instruments already listed on regulated markets; or (d) contracts regarding securities not listed on a regulated market entered into between the authorised intermediaries referred to in (b)(i) above, on the one hand, and non-Italian residents on the other hand.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **Savings Directive**), Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid starting from 1 July 2005 to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

LATVIA

The following summary is not intended to be a complete analysis of the tax consequences under Latvian law as a result of the acquisition, ownership and sale of the Notes by investors. Potential investors should, therefore, consult their own tax advisers on the tax consequences of such acquisition, ownership and sale, including specifically the tax consequences under Latvian law, the law of their jurisdiction of residence and any tax treaty between Latvia and their jurisdiction of residence.

The following is a brief summary of the principal Latvian tax consequences for the Noteholders.

Corporate – residents

Income earned by a Latvian resident corporation, being interest, would be accumulated with other incomes and losses in the given tax year and, as ordinary income, subject to the general 15 per cent. income tax rate.

If the proceeds are paid by a Latvian entity (e.g. a bank), the payer should not withhold any tax advance.

The purchase and sale of the Notes that have been admitted to trading on the Luxembourg Stock Exchange's regulated market and listed on the Official List of the Luxembourg Stock Exchange will have the following corporate tax treatment.

In calculating the annual assessable income of a Noteholder, the expenses incurred in the acquisition of a Note are added back to assessable income. These expenses include the cost of the Note and costs directly associated with its acquisition such as broker fees etc. On the sale of the Note, the Noteholders' taxable income is reduced by the total proceeds received.

The above treatment will also apply to Notes that have been admitted to trading and subject to regulation by being quoted in a European Union or European Economic Zone market.

Notes that have not been admitted to trading and subject to regulation by being quoted on a European Union or European Economic Zone market will have the following corporate tax treatment.

Losses arising from the disposal of Notes must be added back to taxable income. However, the loss can be used over the next 5 years to offset profits from the sale of other securities if the trading activities of the Noteholder does not exceed one sale a year and the security sold has been owned by the Noteholder for more than 12 months.

Any withholding tax incurred outside Latvia (including countries which have not concluded any tax treaty with Latvia – e.g. the Netherlands Antilles), up to an amount equal to 15 per cent. of the interest amount, can be deducted from the Latvian tax liability.

According to the Double Tax Treaty concluded between Latvia and France, there is a 10 per cent. withholding tax on interest payable from France to a Latvian non government entity. Also capital gains earned in France by a Latvian resident should, in principle, only be taxable in Latvia and subject to the above tax treatment of the purchase and sale of the Notes.

Natural persons – residents

Income earned by Latvian resident natural persons, being interest, is treated as general income, which is subject to 25 per cent. flat rate personal income tax.

If interest is paid by a Latvian, European Union or European Economic Zone registered credit or savings institution, the interest will be exempt from Latvian tax

Any withholding tax incurred outside Latvia, up to an amount equal to 25 per cent. of the interest amount, could be deducted from the Latvian tax liability.

According to the Double Tax Treaty concluded between Latvia and France, there is a 10 per cent. withholding tax on interest payable from France to a Latvian individual tax resident. Also, capital gains earned in France by a Latvian resident should in principle be taxable only in Latvia. Capital gains on the sale of Notes may be exempted if the Notes qualify as personal property.

Non-resident corporates and natural persons

Non-Latvian tax residents are only subject to taxation in respect of income derived from Latvia.

In principle, interest earned from the Notes should not be classified as income originating from the territory of Latvia, and as such, it should be not subject to Latvian withholding tax.

This should also be the case with respect to the sale of the Notes.

Stamp Duty

In principle, no stamp duty should be payable upon a transfer of Notes in Latvia.

LIECHTENSTEIN

There are no Liechtenstein taxes on the income from the securities withheld at source apart from the case specified below.

Under the Agreement of 7 December 2004 between the European Community and the Principality of Lichtenstein Providing for Measures Equivalent to Those Laid Down in the EC Council Directive 2003/48/EC on Taxation of Savings Income in the Form of Interest Payments and the law implementing this agreement, payments of interest or similar income made or ascribed by a paying agent established in Liechtenstein to or for the immediate benefit of an individual beneficial owner resident in an EU Member State will be subject to withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her country of residence. Where withholding tax is applied, it will be levied at a rate of 15 per cent. during the first three-year period starting 1 July 2005, at a rate of 20 per cent. for the subsequent three-year period and at a rate of 35 per cent. thereafter.

LITHUANIA

The following summary is not intended to be a complete analysis of the tax consequences under Lithuanian law as a result of the acquisition, ownership and sale of the Notes by investors. Potential investors should, therefore, consult their own tax advisers on the tax consequences of such acquisition, ownership and sale, including specifically the tax consequences under Lithuanian law, the law of their jurisdiction of residence and any tax treaty between Lithuania and their jurisdiction of residence

The following is a brief summary of the main Lithuanian tax consequences for the Noteholders.

Interest

Interest received by a Lithuanian entity from foreign entities is regarded as taxable income, which increases the annual profit base. The effective corporate profit tax rate in 2007 is 18 per cent..

According to the general rule, interest received by Lithuanian individual residents is subject to 15 per cent. tax. This rule, however, is subject to a number of exemptions when the tax is not applicable. For instance, the interest accrued on Notes should not be taxed provided that the Notes are redeemed after 1 year following their issue.

Interest received by foreign entities from Lithuania is subject to 10 per cent. withholding tax. Lithuania has concluded tax treaties with a number of countries. However, most of the treaties, including the treaty with France, do not eliminate the right of Lithuania to apply the referred withholding tax. The Lithuanian entity (corporate or individual undertaking) that has paid the amounts to a foreign entity is liable for the payment of the withholding tax.

Capital Gains

As a general rule, capital gains of a resident entity received from sales of Notes should be regarded as taxable income of the recipient, increasing its profit base.

In the case of Lithuanian resident individuals, the capital gains received from the sale of Notes are taxed at 15 per cent. rate, unless the transaction qualifies for an exemption granted by the tax laws.

In the case of non-residents, the sale of Notes should not incur tax liability.

Stamp Duty

No stamp duty is payable upon a transfer of Notes in Lithuania.

MALTA

Under Malta's tax legislation, income tax is charged on a world-wide basis in respect of the income of persons having both Maltese domicile and ordinary residence (hereinafter **Maltese resident investors**). Accordingly, any interest paid to, or discounts for the benefit of, Noteholders who are Maltese resident investors will be subject to Maltese taxation in the hands of such recipients. To the extent that the receipt of interest is effected through the services of a Maltese authorised financial intermediary pursuant to and in accordance with Article 41 of the Income Tax Act (Cap. 123 of the Laws of Malta), the Maltese resident investor will be entitled to have the said income subjected to a final withholding tax at the rate of 15 per cent. which tax will be collected by the authorised financial intermediary and passed on to the Commissioner of Inland Revenue. In all other cases, the Maltese resident investor will pay Maltese tax at the relevant progressive rates applicable to him.

There is no Maltese withholding tax obligation for the non-Maltese issuer and payor upon the payment of interest, issue of the Notes, or redemption or repurchase of the Notes.

THE NETHERLANDS

General

The following summary describes the principal Netherlands tax consequences of the acquisition, holding, redemption, conversion and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

This summary is based on the tax legislation, published case law, treaties, regulations and published policy, in force as of the date of this Prospectus, though it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary only addresses the Netherlands tax consequences of holders of Notes that are resident or deemed to be resident of the Netherlands for Netherlands tax purposes. This summary does not address the Netherlands tax consequences for:

- (i) holders of Notes holding a substantial interest (*aanmerkelijk belang*) in one of the Issuers. Generally speaking, a holder of Notes holds a substantial interest in an Issuer, if such holder of Notes, alone or, where such holder is an individual, together with his or her partner (statutory defined term) or certain other related persons, directly or indirectly, holds (a) an interest of 5 percent or more of the total issued capital of the Issuer or of 5 percent or more of the issued capital of a certain class of shares of the

Issuer, (b) rights to acquire, directly or indirectly, such interest or (c) certain profit sharing rights in the Issuer;

- (ii) pension funds or other entities that are exempt from Netherlands corporate income tax;
- (iii) investment institutions (*fiscale beleggingsinstellingen*).

For the purpose of the principal Netherlands tax consequences described herein, it is assumed that none of the Issuers is a resident of the Netherlands for Netherlands tax purposes.

Withholding tax

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

Corporate and individual income tax

If a holder is resident or deemed to be resident of the Netherlands for Netherlands' tax purposes and is fully subject to Netherlands' corporate income tax or is only subject to Netherlands' corporate income tax in respect of its enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, conversion or disposal of the Notes are generally taxable in the Netherlands.

If an individual holder is resident or deemed to be resident of the Netherlands for Netherlands' tax purposes (including the individual holder who has opted to be taxed as a resident of the Netherlands), income derived from the Notes and gains realised upon the redemption, conversion or disposal of the Notes are taxable at the progressive rates of the Netherlands income tax act 2001, if:

- (a) the holder has an enterprise or an interest in an enterprise, to which enterprise the Notes are attributable; or
- (b) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) applies to the holder of the Notes, taxable income with regard to the Notes must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of 4 per cent. of the average of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return on income from savings and investments of 4 per cent. will be taxed at a rate of 30 per cent.

Gift and Inheritance taxes

Generally, gift and inheritance taxes will be due in the Netherlands in respect of the acquisition of the Notes by way of a gift by, or on the death of, a holder that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death.

A holder of the Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, if he or she has been resident in the Netherlands during the ten years preceding the gift or his or her death. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax if he or she has been resident in the Netherlands at any time during the twelve months proceeding the time of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

Value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of the cash payment made under the Notes, or in respect of a transfer of Notes.

Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty, will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from the 1 July 2005, to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

Also with effect from 1 July 2005, a number of non-EU countries including Switzerland, and certain dependent or associated territories of certain Member States have agreed to adopt similar measures (either provision of information or transitional withholding) (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

NORWAY

The following is a summary of certain Norwegian tax consequences for holders of the Notes who are resident in Norway for tax purposes. The summary is based on legislation as at the date of this document and is intended to provide general information only. The tax treatment of each Noteholder partly depends on the holder's specific situation. Each investor should consult a tax adviser as to the tax consequences relating to their particular circumstances resulting from holding Notes.

Any changes to applicable tax laws may have a retrospective effect.

Taxation of Noteholders resident in Norway

Taxation of return on the Notes prior to disposal or redemption

Any kind of return received on the Notes prior to disposal or redemption is taxable as “ordinary income” subject to the flat rate of 28 per cent. Return on the Notes is taxed on accrual basis (i.e. regardless of when the return is actually paid).

Taxation upon disposal or redemption of the Notes

Redemption at the end of the term as well as prior disposal is treated as realisation of the Notes and will trigger a capital gain or loss. Capital gains will be taxable as “ordinary income”, subject to the flat rate of 28 per cent. Losses will be deductible in the Noteholder’s “ordinary income”, taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Noteholder on realisation and the cost price of the Notes. The cost price is equal to the price for which the Noteholder acquired the Notes. Costs incurred in connection with the acquisition and realisation of the Notes may be deducted from the Noteholder’s taxable income in the year of the realisation.

Norwegian withholding tax

Payments of principal or interest in respect of Notes will not be subject to Norwegian withholding tax.

Net wealth taxation

The value of the Notes at the end of each income year will be included in the computation of the Noteholder’s taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the assessment year, while non-listed bonds are valued at their estimated market value on 1 January in the assessment year. The marginal tax rate is currently 1.1 per cent.

Limited companies and similar entities are not subject to net wealth taxation.

Transfer taxes etc. – VAT

There are currently no Norwegian transfer taxes, stamp duty or similar taxes connected to purchase, disposal or redemption of the Notes. Further, there is no VAT on transfer of the Notes.

POLAND

The following summary is not intended to be a complete analysis of the tax consequences under Polish law as a result of the acquisition, ownership and sale of the Notes by investors. Potential investors should, therefore, consult their own tax advisers on the tax consequences of such acquisition, ownership and sale, including specifically the tax consequences under Polish law, the law of their jurisdiction of residence and any tax treaty between Poland and their jurisdiction of residence.

The following is a brief summary of the principal Polish tax consequences for the Noteholders.

Corporate - residents

Income earned by a Polish resident corporate, whether interest or proceeds from the sale of the Notes would be accumulated with other incomes and losses in the given tax year and, as ordinary income, subject to the general 19 per cent. income tax rate.

The proceeds are not subject to Polish withholding tax.

Any withholding tax incurred outside Poland (including countries which have not concluded any tax treaty with Poland – e.g. the Netherlands Antilles), up to an amount equal to 19 per cent. of the interest amount, can be deducted from the Polish tax liability.

According to the Double Tax Treaty concluded between Poland and France, there is no withholding tax on interest payable from France to a Polish entity. Also capital gains earned in France by a Polish resident should, in principle, only be taxable in Poland.

Natural persons - residents

Income earned by Polish resident natural persons, whether as interest or proceeds from the sale of the Notes, should not be added with other, general incomes, but should be treated as derived from a specific source of income - income from capital – which is subject to 19 per cent. flat rate personal income tax. If interest is paid by a Polish entity (e.g. a bank), in principle, the entity should withhold the 19 per cent. tax. Further to the current practice, a foreign payer would not withhold the tax.

Any withholding tax incurred outside Poland, up to an amount equal to 19 per cent. of the interest amount, could be deducted from the Polish tax liability.

According to the Double Tax Treaty concluded between Poland and France, there is no withholding tax on interest payable from France to a Polish person. Also capital gains earned in France by a Polish resident, should in principle be taxable only in Poland.

Non-resident corporates and natural persons

Non-Polish residents are only subject to taxation in respect of income derived from Poland.

In principle, interest earned from the Notes should not be classified as income originating from the territory of Poland, and as such, it should be not subject to Polish withholding tax.

This should also be the case with respect to the sale of the Notes, however, certain doubts could arise if the Notes are sold within the territory of Poland. If this is the case, however, exemption from Polish income tax could be most probably achieved on the grounds of the relevant Double Tax Treaty. Most of the tax treaties concluded by Poland provide that such capital income should only be taxed in the income recipient's country of the residence.

Stamp Duty

In principle, no stamp duty should be payable upon a transfer of Notes in Poland.

PORTUGAL

The following is a summary of the current Portuguese withholding tax treatment at the date hereof in relation to certain aspects of the Portuguese taxation of payments of principal and interest in respect of the Notes. The statements do not deal with other Portuguese tax aspects regarding the Notes and relate only to the position of persons who are absolute beneficial owners of the Notes. The following is a general guide, does not constitute tax or legal advice and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Noteholders who may be liable to taxation in jurisdictions other than Portugal in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions). In particular, Noteholders should be aware that

they may be liable to taxation under the laws of Portugal and of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Portugal.

The reference to “interest” and “investment income” in the paragraphs below means “interest” and “investment income” as understood in Portuguese tax law. The statements below do not take any account of any different definitions of “interest” or “investment income” which may prevail under any other law or which may be created by the Conditions or any related documentation.

Noteholder's Income Tax

Income generated by the holding (distributions) of the Notes is generally subject to the Portuguese tax regime for debt securities (*obrigações*).

Economic benefits derived from interest, amortisation, reimbursement premiums and other types of remuneration arising from the Notes are designated as investment income for Portuguese tax purposes.

Under current Portuguese law, investment income payments in respect of the Notes made to Portuguese tax resident companies are subject to corporate income tax at the current definitive rate of 25 per cent., to which is added a municipal surcharge of up to 1.5 per cent. over the taxable profits, where applicable. As regards to investment income on the Notes made to Portuguese tax resident individuals, they are subject to personal income tax which shall be withheld at the current final withholding rate of 20 per cent. if there is a Portuguese resident paying agent.

Interest payments due by non resident entities to Portuguese tax resident individuals are subject to an autonomous taxation at a rate of 20 per cent. whenever those payments are not subject to Portuguese withholding tax.

Payments of principal on the Notes are not subject to Portuguese withholding tax. For these purposes, principal shall mean all payments carried out without any remuneration component.

ROMANIA

The following information is a general description of certain Romanian tax considerations relevant to the purchase, ownership and disposal of the Notes by non-resident and resident holders, including information regarding the taxation of interest payments with respect to the Notes.

This summary is based on the current laws of Romania, in force at the date hereof, which are subject to change without notice and does not take into account or discuss the tax laws of any other country other than Romania, specific double taxation treaties concluded by Romania nor the individual circumstances, financial situation or investment objectives of an investor in the Notes.

Prospective investors in the Notes should consult their own tax advisers as to which countries' tax laws could be relevant in relation to their acquiring, holding and disposing of the Notes and the consequences of such actions under the tax laws of those countries.

The information contained in this section is limited to taxation issues and prospective investors should not apply any information or analysis set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

For the purpose of this summary a “resident holder” means either:

- an individual who meets at least one of the following conditions: (a) is domiciled in Romania; (b) the centre of his vital interests is located in Romania; (c) spends more than 183 days in Romania in any 12-month period, which is ending in the current calendar year; (d) is a Romanian citizen working abroad as an official or an employee of Romania in another state; or
- a legal person incorporated and organised under Romanian Law, or with the effective place of management in Romania, which holds and disposes of the Notes.

“Non-resident holder” means any foreign legal person and foreign individual, which holds and disposes of the Notes.

Taxation of Interest

Resident Holders

A holder of the Notes who is an individual or a legal person resident for tax purposes in Romania is subject to applicable Romanian taxes in respect of interest received or accrued on the Notes.

Under the Romanian tax law (the **Fiscal Code**) in the case where the holder of the Notes is a individual resident for tax purposes in Romania, the interest income under the Notes is subject to personal income tax at a rate of 16 per cent. In the case of a Romanian source income, the personal income tax is withheld at source by the payer of the income at the moment that the interest is registered in the Noteholder’s account or in which redemption occurs. The deadline for payment of such tax is the twenty-fifth of the month following the month in which the interest is registered in the Noteholder’s account or in which redemption occurs. If the interest income is originating from a source outside Romania, the Romanian holder of the Notes will be obliged to declare the interest income realised from the Notes to the relevant tax authority. The resident holder is obliged to submit the special tax return by 15 May of the year following the income earning. The relevant tax authority calculates the annual tax due by Romanian resident and issues a tax decision dealing with the collection of the afferent tax. The tax due has to be paid by the resident holder within 60 days from the date when such tax decision was communicated to him.

If the holder of the Notes is a legal person resident (for tax purposes) in Romania, the tax will have to be calculated, declared and paid by such legal person and no withholding tax will be applicable. Under current Fiscal Code, any profits realised from interest received or accrued on the Notes by Romanian corporate resident holders are generally subject to corporate income tax at a rate of 16 per cent. For the purpose of this summary, we have not analysed the tax consequences generated in the event that the Note holders are corporate entities that have a special tax regime under the Fiscal Code (i.e. “micro-companies”).

Non-Resident Holders

There is no Romanian withholding tax or deduction imposed according to the Fiscal Code on any revenue originating from the Notes as long as, such revenue from the Notes is considered to be an income originating from a source outside Romania.

Disposal of Notes

Resident Holders

The capital gain realised by individuals resident for tax purposes in Romania in the case of redemption, sale or other disposal of the Notes (the **capital gain**) is calculated as the difference between the purchase price and sale price, less the transaction fees charged by brokers or agents, involved in such transaction.

If the capital gain originates from a Romanian source, such amount is subject to a withholding tax of one per cent., which will be levied as anticipated payment on the account of the annual tax due by the Romanian individual holder of the Notes. The annual tax will be established based on the tax return submitted by the Romanian individual in accordance with the provisions of the Fiscal Code. Under the Fiscal Code, the tax rate charged on the relevant capital gain depends on the length of time of holding the Notes. The annual tax will be established by applying a rate of: (a) 16 per cent. on the annual net capital gain realised from securities, debentures or other similar financial instruments redeemed or sold by such individual within a period of 365 days from the date of purchase; or (b) one per cent. on the annual capital gain realised from securities, debentures or other similar financial instruments redeemed or sold during a period longer than 365 days from the date of purchase.

If the capital gain is originating from a source outside Romania, the Romanian holder of the Notes will be obliged to declare the capital gain to the relevant tax authority and to pay the corresponding tax. In this respect, the resident holder has to submit a special tax return by 15 May of the year following the moment of realising the capital gain. Capital gains originating from a source outside Romania are subject to the same tax rates applicable to the Romanian source capital gain.

If the holder of the Notes is a Romanian legal person, the tax will have to be calculated, declared and paid by such legal person and no withholding tax will be applicable. Under the current Fiscal Code the profit realised from redemption, sale or other disposal of the Notes by Romanian corporate resident holders is generally subject to corporate income tax at a rate of 16 per cent. For the purpose of this summary we have not analysed the tax consequences generated in case the Note holders are corporate entities that have a special tax regime according to current Fiscal Code (i.e. micro-companies).

Non-Resident Holders

In general, non-resident holders of Notes should not be subject to any Romanian withholding tax in respect of gains or other income realised upon the redemption, sale or other disposal of the Notes outside Romania.

EU Savings Directive

Starting on the date of Romania's accession to the European Union (1 January 2007) the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments was implemented into the Fiscal Code.

SLOVAK REPUBLIC

General

The information set out below is only a summarised description of information on Slovak tax on the income from debt securities withheld at source and it does not purport to be a complete analysis of all Slovak tax considerations relating to the purchase, holding and disposition of the Notes that may be relevant to a decision to purchase the Notes. This summary does not take into account or discuss the tax laws of any country other than the Slovak Republic nor does it take into account specific double taxation treaties nor the individual circumstances, financial situation or investment objectives of an investor in the Notes. Unless provided otherwise, the information set out below describes only certain material Slovak tax consequences for the holders of the debt securities who are individuals residing for tax purposes in the Slovak Republic or corporate entities having their registered office or place of actual management in the Slovak Republic (the **Slovak Holders**); a 'place of actual management' is defined as a 'place where management decisions and business decisions of the board of directors or the supervisory board are made, even in cases where the address of such place is not registered with the relevant commercial register'.

This summary is based on the tax laws of the Slovak Republic as in effect on the date of this prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary.

As this is a general summary only, the holders of the Notes should consult their own tax advisors as to the consequences under the tax laws of the country of which they are residents for tax purposes and the tax laws of the Slovak Republic concerning the purchase, holding and disposition of the Notes and receiving payments of interest, principal and/or other payments under the Notes, including, in particular, the application to their particular situation of the tax considerations discussed below as well as the application of the state, local, foreign or other tax laws or any double taxation treaty.

Income tax withheld at source

Under Slovak tax law, a Slovak Holder is considered as a taxpayer with an unlimited taxation duty. Both individual Slovak Holders and corporate Slovak Holders are subject to a flat 19 per cent. income tax rate.

Generally, interest and capital gains from debt securities realised by a Slovak Holder are taxable in the same way as the regular income of the Slovak Holder, unless: (a) the Slovak Holder is: (i) an individual; or (ii) a corporate entity which is not established for entrepreneurial purposes; (iii) the National Property Fund of the Slovak Republic (*Fond národného majetku*); (iv) the National Bank of Slovakia (*Národná banka Slovenska*); (v) a non-Slovak Holder which does not conduct its business in the Slovak Republic through its “permanent establishment” situation in the Slovak Republic; or (vi) a non-Slovak Holder which conducts its business in the Slovak Republic through its “permanent establishment” situation in the Slovak Republic and the revenue demonstrably does not relate to that “permanent establishment” and (b) the revenue originates from the sources in the Slovak Republic, in which case such revenue from those debt securities is subject to a 19 per cent. withholding tax. Such withholding tax is, in those cases, deductible by the ‘payer’ of such revenue, i.e. “at source”.

If the revenue originates from sources outside of the Slovak Republic, then the revenue is to be included in a general tax base (or, if applicable, a partial tax base) of that Slovak Holder for Slovak income tax purposes, whether it is an individual or a corporate.

Thus, there is no Slovak withholding tax or deduction imposed on Global Holders by the taxation laws of the Slovak Republic on any revenue originating from the Notes since, for the purposes of the Slovak laws, any revenue from the Notes is considered to be an income originating from a source outside of the Slovak Republic.

SLOVENIA

The following is a general description of certain Slovenian tax considerations relating to the Notes based on the Issuer's understanding of the current law and the practice in Slovenia relating to the taxation of the Notes under the Programme and are subject to changes therein. It does not purport to be a complete analysis of all tax considerations relating to the Notes. They relate only to the positions of persons who are absolute beneficial owners of the Notes and the interest on them and may not apply to certain classes of persons, such as dealers. Prospective purchasers of Notes should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the Republic of Slovenia of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Offering Circular and is subject to any change in law that may take effect after such date.

Resident holders – individuals

Income from property pursuant to the Slovene Personal Income Tax Act 2006 (*ZDoh-2*) includes interest and dividends. Under the Slovene Income Tax Act interest shall include interest from debt securities and from other similar financial claims on debtors. Tax on interest shall also be payable on any other compensation in connection with a financial debt arrangement that does not represent the repayment of a principal, including compensations for risk or reduced value of the principal under the financial debt arrangement due to inflation, unless otherwise provided by this act. The Slovene Personal Income Tax Act 2006 (*ZDoh-2*) states that (taxable) interest shall be considered any remuneration that is not a return of principal. Tax on interest shall therefore also be payable on discounts, bonuses, premiums and similar income obtained by a taxpayer in connection with a financial debt arrangement.

The tax base shall be obtained interest unless otherwise provided by law. The tax base on interest resulting from the disposal of discounted debt securities prior to maturity of the security or upon purchase of the discounted debt security prior to or upon maturity of the paper shall be the interest calculated for the period from the day of acquisition to the day of disposal or purchase of the discounted debt security. Discounted debt securities shall also include non-coupon debt securities.

The level of interest shall be determined according to the methodology of constant yield. If in a particular financial debt arrangement it is not explicitly determined in advance what share of individual payment represents repayment of the principal and what share is the interest, it shall be deemed for the purpose of taxation that interest calculated at the recognised interest rate, as defined in the Corporate Income Tax Act (2006 (*ZDDP0-2*)), is paid out first.

The tax rate is 15 per cent. for the year 2007 and 20 per cent. thereafter. A requirement to deduct withholding tax on interest, premium, dividends or capital gains may be obviated or reduced pursuant to the terms of an applicable double taxation treaty.

Interest payments made to an individual will be subject to Slovene withholding tax if the payment is made via a legal person, an entrepreneur, financial institution or other intermediary established in Slovenia as a tax resident. If the interest or dividends or capital gains are paid out by a legal person or an entrepreneur who is a resident of Slovenia, the legal person or entrepreneur, who is paying out the interest or dividends or capital gains shall be considered the taxpayer. The taxpayer must calculate, withhold and pay to the authorities the income tax on interest, dividends and capital gains. In that case the investors need not report the interest collected with the tax authorities.

If the legal person or entrepreneur who is paying out the interest or dividends or capital gains is not a resident of Slovenia, the holder of the Notes – (the recipient of interest who is liable to Slovenian tax on interest income) must declare each amount of interest in a tax return filed by the fifteenth day of a calendar month for the period of the previous three calendar months and shall pay the amount of tax upon receiving a decision of the tax authorities setting out the calculation of the amount of tax and directing the individual to pay the amount as calculated.

In accordance with the Personal Income Tax Act a Slovenian resident may reduce his Slovene tax payments by the tax paid abroad for income from a source outside Slovenia. In accordance with the Tax Procedural Law 2006 (*ZDavP-2*) a taxable person that is a Slovenian resident can claim tax deduction for tax on interests paid in the other country in his personal tax return form that must be submitted to the competent tax authority. The resident must provide documents showing his tax obligation in this other country, especially documents that prove the amount of tax paid in the other country, the tax base and that the amount was actually paid.

The EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments has been implemented in the local legislation.

Resident holders – corporations

Interest on the Notes received and/or capital gains earned on the sale or disposition of the Notes, in each case by:

- (a) a legal person resident for taxation purposes in the Republic of Slovenia; or
- (b) by a permanent establishment (*poslovna enota*) in the Republic of Slovenia of a legal person not resident for taxation purposes in the Republic of Slovenia;

is subject to Slovenian Corporate Income Tax (*davek od dohodkov pravnih oseb*) as a part of the overall income of such resident or, as the case may be, a permanent establishment in the Republic of Slovenia of a resident for taxation purposes outside the Republic of Slovenia.

The tax is levied on the net profits, defined according to the profit and loss account, as stipulated by the Corporate Income Tax Act 2006 (*ZDDPO-2*) and the Accounting Standards (*SRS 2006*)

A requirement to deduct withholding tax on interest, premium, dividends or capital gains may be obviated or reduced pursuant to the terms of an applicable double taxation treaty.

Transactions - excluding management, safekeeping, investment advice and services in connection with takeovers – including negotiation, in shares, interests in companies or associations, debentures and other securities, excluding documents establishing title to goods and the rights and interests are exempt from VAT.

SPAIN

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Spain, though it is not intended to be, nor should it be construed to be, legal or tax advice. This section does not constitute a complete description of all the tax issues that may be relevant in making the decision to invest in the Notes or of all the tax consequences that may derive from the subscription, acquisition, holding, transfer, redemption or reimbursement of the Notes and does not purport to describe the tax consequences applicable to categories of investors subject to special tax rules. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Spanish tax law, to which they may be subject.

Individuals with Tax Residence in Spain

Personal Income Tax

Personal Income Tax is levied on an annual basis on the worldwide income obtained by Spanish resident individuals, whatever the source is and wherever the relevant payer is established. Therefore any income that Spanish holders of the Notes may receive under the Notes will be subject to Spanish taxation.

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes obtained by individuals who are tax resident in Spain will be regarded as financial income for tax purposes (i.e. a return on investment derived from the transfer of own capital to third parties).

Both types of income will be included in the savings part of the taxable income subject to Personal Income Tax at the flat tax rate which is currently 18 per cent.

Spanish holders of the Notes shall compute the gross interest obtained in the savings part of the taxable base of the tax period in which it is due, including amounts withheld, if any.

Income arising on the disposal, redemption or reimbursement of the Notes will be calculated as the difference between (a) their disposal, redemption or reimbursement value and (b) their acquisition or subscription value. Costs and expenses effectively borne on the acquisition and transfer of the Notes may be taken into account for calculating the relevant taxable income, provided that they can be duly justified.

Likewise, expenses relating to the management and deposit of the Notes, if any, will be tax-deductible, excluding those pertaining to discretionary or individual portfolio management.

Losses that may derive from the transfer of the Notes cannot be offset if the investor acquires homogeneous securities within the two-month period prior or subsequent to the transfer of the Notes, until he/she transfers such homogeneous securities.

Additionally, tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Notes, if any.

Legal Entities with Tax Residence in Spain

Corporate Income Tax

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes obtained by entities which are resident for tax purposes in Spain shall be computed as taxable income of the tax period in which they accrue.

The general tax rate for limited liability companies is currently 32.5 per cent. and shall be 30 per cent. as of 1 January 2008. However, small sized companies can benefit from the reduced tax rate of 25 per cent. on the first EUR 120,202.41 of their taxable profits. Special rates apply in respect of certain type of entities (such as qualifying collective investment institutions).

Tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Notes, if any.

Individuals and legal entities with no Tax Residence in Spain

A non-resident holder of Notes who has a permanent establishment in Spain to which such Notes are attributable, is subject to Spanish Non-Residents' Income Tax on any income under the Notes, including both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes. In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Corporate Income taxpayers.

Spanish withholding tax

Where a financial institution (either resident in Spain or acting through a permanent establishment in Spain) acts as depositary of the Notes or intervenes as manager in the collection of any income under the Notes, such financial institution will be responsible for making the relevant withholding on account of Spanish tax on any income deriving from the Notes. The current withholding tax rate in Spain is 18 per cent. Amounts withheld in Spain, if any, can be credited against the final Spanish Personal Income Tax liability, in the case of Spanish tax resident individuals, or against final Spanish Corporate Income Tax liability, in the case of Spanish corporate. However, holders of the Notes who are Corporate Income Taxpayers can benefit from a withholding tax exemption when the Notes are listed in an OECD official stock exchange.

Furthermore, such financial institution may become obliged to comply with the formalities set out in the Regulations on Spanish Personal Income Tax (Royal Decree 439/2007, of 30 March) and Corporate Income Tax (Royal Decree 1777/2004, of 30 July) when intervening in the transfer or reimbursement of the Notes.

SWEDEN

The following summary outlines certain Swedish tax consequences relating to holders of Notes, if not otherwise stated. The summary is based on the laws of Sweden as currently in effect and is only intended to provide general information. This summary does not address the rules regarding reporting obligations for, among others, payers of interest. Prospective purchasers are urged to consult their professional tax advisers regarding the Swedish tax and other tax consequences (including the applicability and effect of double taxation treaties) of holding or transferring Notes.

Holder not resident in Sweden

Payments of any principal amount or any amount that is considered to be interest for Swedish tax purposes to the holder of any Notes should not be subject to Swedish income tax, provided that such holder is neither resident in Sweden for Swedish tax purposes nor engaged in trade or business in Sweden through a permanent establishment. A person is resident in Sweden for Swedish tax purposes if he (a) is domiciled in Sweden; (b) has his habitual abode in Sweden; or (c) earlier has been domiciled in Sweden and after having moved abroad continues to have an essential connection with Sweden (for example, is engaged in trade or business in Sweden). Swedish law does not provide for deduction or withholding for or on account of taxes on payments of any principal or interest to the holder of any Notes, except on payment of interest to a holder who is an individual or an estate of a deceased individual with tax residence in Sweden.

Holders resident in Sweden

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. Specific tax consequences, however, may be applicable to certain categories of corporations (e.g. investment companies and life insurance companies). If the Notes are registered with VPC or held by a Swedish nominee in accordance with the Swedish Financial Instruments Accounts Act (SFS 1998:1479), Swedish preliminary taxes are withheld by VPC or the nominee on payments of amounts that are considered to be interest for Swedish tax purposes to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes.

UNITED KINGDOM

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payment of interest on the Notes

Payments of interest on the Notes may be made without withholding on account of United Kingdom income tax.

Noteholders may wish to note that, in certain circumstances, HM Revenue and Customs (**HMRC**) has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. HMRC also has power, in certain circumstances, to obtain information from any person in the United Kingdom

who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise the power referred to above to require this information in respect of amounts payable on the redemption of deeply discounted securities where such amounts are paid on or before 5 April 2008. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

EU Savings Directive

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

UNITED STATES

To ensure compliance with requirements imposed by the U.S. Internal Revenue Service (the **IRS**), we inform you that any tax discussion herein was not written and is not intended to be used and cannot be used by any taxpayer for purposes of avoiding U.S. federal income tax penalties that may be imposed on the taxpayer. Any such tax discussion was written to support the promotion or marketing of the proposals described herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax adviser.

The following is a summary of the material United States federal income tax consequences of the ownership and disposition of the Notes by holders, but is not purported to be a complete analysis of all potential tax effects. This summary is based upon the Internal Revenue Code of 1986 (the **Code**); existing and proposed regulations promulgated thereunder, and published rulings and court decisions, all as in effect and existing on the date of this Programme Prospectus and all of which are subject to change at any time with retrospective or prospective effect. This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Programme, and the applicable Final Terms may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Notes as are issued thereunder.

This summary is for general information only and does not address all of the tax consequences that may be relevant to holders. In addition, this summary does not address any of the tax consequences to holders that may be subject to special rules, such as financial institutions, tax-exempt organisations, insurance companies, regulated investment companies, real estate investment trusts, personal holding companies, controlled foreign corporations, passive foreign investment companies, broker-dealers in securities or currencies, and non-resident alien individuals who have lost their United States citizenship or who have ceased to be treated as resident aliens. Further, this summary does not address:

- (a) the United States federal income tax consequences to shareholders in, or partners or beneficiaries of, an entity that is a holder of the Notes;
- (b) the United States federal gift or alternative minimum tax consequences of the acquisition, ownership or disposition of the Notes;

- (c) persons that will hold the Notes as part of a position in a “straddle” or as part of a “constructive sale” or a “hedging,” “conversion” or other integrated transaction;
- (d) any tax consequences arising under any state, municipality, foreign country or other taxing jurisdiction; or
- (e) holders that own, directly, indirectly or constructively, 10 per cent. or more of the voting shares of the Issuer.

A “United States Holder” means a beneficial owner of a Note that, for United States federal income tax purposes, is:

- (a) a citizen or individual resident of the United States, as defined in Section 7701(b) of the Code;
- (b) a corporation, including any entity treated as a corporation for United States federal income tax purposes, created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- (c) an estate the income of which is subject to United States federal income tax without regard to its source; or
- (d) a trust if (x) a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust, or (y) such trust has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

The term “Non-U.S. Holder” means a beneficial owner of a Note, that is not a partnership, and that is, for United States federal income tax purposes, not a United States Holder. If a partnership holds the Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding the Notes should consult their tax advisors regarding the United States federal income tax consequences of acquiring, owning, exchanging and disposing of the Notes.

Prospective investors should consult their tax advisors regarding the United States federal, state, local and foreign tax consequences of acquiring, owning and disposing of the Notes in light of such investor's own circumstances, including such investor's status as a U.S. Holder or Non-U.S. Holder (as defined below), as well as any other estate, gift, or other tax consequences that may arise under the laws of any state, local, foreign or other taxing jurisdiction.

The Issuer generally intends to treat Notes issued under the Programme as debt, unless otherwise indicated in the applicable Final Terms. Certain Notes, however, such as Indexed Notes, may be treated as equity for U.S. federal income tax purposes. The tax treatment of Notes to which a treatment other than as debt may apply will be discussed in the applicable Final Terms.

The Final Terms for an issue of Notes may specify with respect to the issue of Notes to which it relates (and where relevant) the potential U.S. federal income tax consequences of the purchase, ownership, disposition, lapse and exercise of the Notes.

Holders may be subject to a variety of U.S. tax consequences depending on the subject and the terms of the Notes. Holders should consult their own advisers about the tax consequences of purchasing Notes, particularly whether the Notes being acquired could be treated for U.S. tax purposes as debt instruments or as another type of financial instrument.

U.S. Holders

Payment of Interest

Interest on a Note, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (“foreign currency” interest on a “Foreign Currency Note”), other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “*Original Issue Discount — General*”), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder’s method of accounting for tax purposes. Interest paid by the Issuer on the Notes and OID, if any, accrued with respect to the Notes (as described below under “*Original Issue Discount*”) generally will constitute income from sources outside the United States subject to the rules regarding the foreign tax credit allowable to a U.S. Holder. Prospective purchasers should consult their tax advisers concerning the foreign tax credit implications of any payment of foreign taxes.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with original issue discount (**OID**). The following summary does not discuss Notes that are characterized as contingent payment debt instruments for U.S. federal income tax purposes.

A Note, other than a Note with a term of one year or less, will be treated as issued with OID (a **Discount Note**) if the excess of the Note’s “stated redemption price at maturity” over its issue price is equal to or more than a de minimis amount (0.25 per cent. of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). Generally, the issue price of a Note will be the first price at which substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of “qualified stated interest.” A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate, or a variable rate (as described below under “*Variable Interest Rate Notes*”), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note. If a Note has de minimis OID, a U.S. Holder must include the de minimis amount in income as stated principal payments are made on the Note, unless the holder makes the election to treat all interest as OID.

U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of Discount Notes is the sum of the daily portions of OID with respect to the Discount Notes for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Notes. The amount of OID allocable to an accrual period (and pro rata to every day in the accrual period) equals the excess of (a) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and the Discount Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition Premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price and that does not make the election to treat all interest as OID, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Discount Note immediately after its purchase over the Discount Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Discount Note's adjusted issue price.

Market Discount

A Note, other than a Note with a term of one year or less, generally will be treated as purchased at a market discount if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity. If this excess is not sufficient to cause the Note to be treated as purchased at a market discount, then the excess constitutes "de minimis market discount". For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Variable Interest Rate Notes

Notes that provide for interest at variable rates (**Variable Interest Rate Notes**) generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury Regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Note by more than a specified de minimis amount and (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate.

A "qualified floating rate" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35, whether or not a variable rate is increased or decreased by a fixed rate. A variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless the cap or floor is fixed throughout the term of the Note.

An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer).

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate – the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

A Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a “true discount” (i.e., at a price below the Note’s stated principal amount) in excess of a specified de minimis amount. OID on a Variable Interest Rate Note arising from true discount is allocated to an accrual period using the constant yield method described above.

In general, any other Variable Interest Rate Note that qualifies as a “variable rate debt instrument” will be converted into an equivalent fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an equivalent fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an equivalent fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an equivalent fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the equivalent fixed rate debt instrument by applying the general OID rules to the equivalent fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the equivalent fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the equivalent fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Interest Rate Note will be treated as a contingent payment debt instrument. Prospective purchasers should consult with their own tax advisers concerning the proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Note with a term of one year or less is not required to accrue OID (calculated as set forth below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Notes with a term of one year or less on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Note with a term of one year or less will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to

accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Notes with a term of one year or less will be required to defer deductions for interest on borrowings allocable to Notes with a term of one year or less in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Note with a term of one year or less are included in such note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Note with a term of one year or less as if such note had been originally issued to the U.S. Holder as the U.S. Holder's purchase price for the note. This election shall apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as "amortisable bond premium", in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note's yield to maturity) to that year. Any election to amortise bond premium shall apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a capital loss when the Note matures.

Purchase, Sale and Retirement of Notes

A U.S. Holder's tax basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Note.

A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the tax basis of the Note. Except to the extent described above under "*Original Issue Discount—Market Discount*" or "*Original Issue Discount—Short Term Notes*" or attributable to accrued but unpaid interest or changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Note will be capital gain or loss and generally will be treated as from U.S. sources for purposes of the U.S. foreign tax credit limitation and may be taxable at reduced rates in the case of a U.S. Holder that is an individual, estate or trust, if the Notes are held for more than one year. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two

methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above under “*Foreign Currency Notes—Interest*”. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale of the Note), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Bond Premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency.

On the date bond premium offsets interest income, a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date, and on the date the Notes were acquired by the U.S. Holder.

Purchase, Sale and Retirement of Notes

As discussed above under “*Purchase, Sale and Retirement of Notes*”, a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and its tax basis in the Note. A U.S. Holder’s tax basis in a Foreign Currency Note will be determined by reference to the U.S. dollar cost of the Note. The U.S. dollar cost of a Note purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the purchase.

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the sale. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any between the U.S. dollar values of the U.S. Holder's purchase price for the Note (or, if less, the principal amount of the Note) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement.

Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will generally have a tax basis equal to its U.S. dollar value at the time the interest is received or at the time of the sale or retirement. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Backup Withholding and Information Reporting

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of, the Notes, payable to a U.S. Holder within the United States or by a U.S. paying agent or certain other U.S.-related intermediaries will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments and to accruals of OID if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise to comply with the applicable backup withholding requirements. Certain U.S. Holders (including, among others, corporations) are not subject to information reporting or backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from information reporting and/or backup withholding and the procedure for obtaining an exemption.

Disclosure Requirements

Treasury Regulations intended to require the reporting of certain tax shelter transactions (**Reportable Transactions**) could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury Regulations, certain transactions may be characterised as Reportable Transactions including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a Foreign Currency Note and/or a Note issued with OID. Persons considering the purchase of such Notes should consult with their own tax advisers to determine the tax return obligations, if any, with respect to an investment in such Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Non-U.S. Holders

Notes

Except as otherwise discussed below or indicated in the applicable Final Terms, a Non-U.S. Holder will generally not be subject to United States federal income tax, including withholding tax, on payments of principal, or interest (including original issue discount, if any) on a Note, or on proceeds from the sale or other disposition of a Note, provided that for purposes of United States federal income tax law:

- the payments or proceeds are not effectively connected with the conduct of a trade or business within the United States by the holder;
- the holder does not own (directly or by attribution) ten percent or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;
- the holder is not a bank holding the Note in the context of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- the holder does not have a “tax home” (as defined in section 911(d)(3) of the Code) or an office or other fixed place of business in the United States.

Notes Linked to Commodity Prices, Single Securities, Baskets of Securities or Indices and Credit-Linked Notes

The United States federal income tax consequences to a Non-U.S. Holder of the ownership and disposition of Notes that have principal or interest determined by reference to commodity prices, securities of entities not affiliated with the Issuer, baskets of securities or indices or to the credit of entities not affiliated with the Issuer may vary depending upon the exact terms of the Notes and related factors. Notes containing any of those features may be subject to rules that differ from the general rules discussed above. Non-U.S. Holders intending to purchase such Notes should refer to the discussion relating to taxation in the applicable Final Terms for disclosure concerning the applicability of the rules.

Backup Withholding and Information Reporting

With respect to Notes that are treated as indebtedness for U.S. federal income tax purposes, a Non-U.S. Holder of a Note will generally not be subject to backup withholding or information reporting with respect to payments on, or proceeds from the sale or redemption of, the Note.

Non-U.S. Holders of Notes should consult their own tax advisors regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom and the procedure for obtaining the exemption, if available. Backup withholding is not an additional tax. Any amounts withheld from a payment to a Non-U.S. Holder under the backup withholding rules will be allowed as a credit against the holder’s United States federal income tax liability and may entitle the holder to a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing all required information.

Estate Tax

Subject to benefits provided by an applicable estate tax treaty, a Note that is treated as indebtedness for U.S. federal income tax purposes will generally be excluded from the gross estate of a Non-U.S. Holder for U.S. federal estate tax purposes upon the individual’s death unless, at such time, interest payments on the Note would have been:

- subject to U.S. federal withholding tax without regard to any certification that such holder is not a “United States person” within the meaning of Section 7701(a)(30) of the Code, not taking into account an elimination of such U.S. federal withholding tax due to the application of an income tax treaty; or
- effectively connected to the conduct by the holder of a trade or business in the United States.

Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal estate tax consequences of an investment in the Notes and the availability of benefits provided by an applicable estate tax treaty, if any.

SUBSCRIPTION, SALE AND TRANSFER RESTRICTIONS

The Dealers have in an amended and restated programme agreement (the **Programme Agreement**, which expression includes the same as it may be updated or supplemented from time to time) dated 2 May 2007 agreed with the Issuers and the Guarantor a basis upon which they (or any one of them) may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and in the Terms and Conditions of the Notes above. In the Programme Agreement, the Issuers have jointly and severally agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

The following selling restrictions may be modified by the relevant Issuer and the relevant Purchaser(s) following a change in the relevant law, regulation or directive and in certain other circumstances as may be agreed between the relevant Issuer and the relevant Purchaser(s). Any such modification will be set out in the Final Terms and (if applicable) the syndication agreement in respect of the Tranche to which it is related or in a Supplement to this Debt Issuance Programme Prospectus.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be deemed or required, as the case may be, to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A in Regulation S are used herein as defined therein):

- (a) that either: (a) it is a QIB and a QP purchasing (or holding) the Notes for its own account or for the account of one or more QIBs that are also QPs, in each case for investment and not with a view to, or for or sale in connection with, any distribution thereof, and it is aware that any sale to it is being made in reliance on Rule 144A or (b) it is outside the United States and is not a U.S. person;
- (b) that the Notes and any guarantee thereof are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes and any guarantee thereof have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (c) that the Issuer has not registered and will not register as an “investment company” under the Investment Company Act in reliance on Section 3(c)(7) thereof, and that the Notes may not be sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (d) that, unless it holds an interest in a Regulation S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person that is a QP whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB that is also a QP in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;

- (e) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (d) above;
- (f) that Notes initially offered in the United States to QIBs that are also QPs will be represented by one or more Rule 144A Global Notes or Combined Global Notes, and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes or Combined Global Notes;
- (g) that the Rule 144A Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **INVESTMENT COMPANY ACT**). ACCORDINGLY, THIS SECURITY AND ANY INTEREST THEREIN MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (1) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A “QUALIFIED PURCHASER” AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER, AND IS PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS THAT ARE ALSO QUALIFIED PURCHASERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON THAT IS A QUALIFIED PURCHASER WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER THAT IS ALSO A QUALIFIED PURCHASER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE NOTES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY OR FOR

SECURITIES OF ISSUERS RELYING ON SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT. THE ISSUER RESERVES THE RIGHT TO REDEEM OR TRANSFER ON BEHALF OF THE HOLDER ANY NOTE THAT IS SOLD OR TRANSFERRED IN VIOLATION OF THE RESTRICTIONS SET OUT ABOVE. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY INTEREST THEREIN AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (h) that the Combined Global Notes will bear a legend to the following effect:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **INVESTMENT COMPANY ACT**). ACCORDINGLY, THIS SECURITY AND ANY INTEREST THEREIN MAY NOT BE OFFERED OR SOLD EXCEPT AS SET OUT BELOW.

THIS SECURITY MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (1) IT IS (i) A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A “QUALIFIED PURCHASER” AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER, AND IS PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS THAT ARE ALSO QUALIFIED PURCHASERS, OR (ii) NOT A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT THAT IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON THAT IS A QUALIFIED PURCHASER WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER THAT IS ALSO A QUALIFIED PURCHASER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE NOTES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR

SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY OR FOR SECURITIES OF ISSUERS RELYING ON SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT. THE ISSUER RESERVES THE RIGHT TO REDEEM OR TRANSFER ON BEHALF OF THE HOLDER ANY NOTE THAT IS SOLD OR TRANSFERRED IN VIOLATION OF THE RESTRICTIONS SET OUT ABOVE. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY INTEREST THEREIN AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (i) if it is outside the United States and is not a U.S. person, and is purchasing an interest in a Regulation S Global Note, that if it should resell or otherwise transfer the Notes it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (ii) to a QIB that is also a QP in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **INVESTMENT COMPANY ACT**). ACCORDINGLY, THIS SECURITY AND ANY INTEREST THEREIN MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT TO A PERSON THAT IS A “QUALIFIED PURCHASER” AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT.”;

- (j) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account., and
- (k) that the Issuer reserves the right to redeem, or transfer on behalf of the holder any Note that is held by, or for the account or benefit of, any U.S. person that was not both a QIB and a QP at the time it purchased or acquired such note.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others,

each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) of Registered Notes.

Selling Restrictions: Jurisdictions outside the European Economic Area

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered, sold or delivered directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or Rule 144A under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act in a transaction that will not cause the Issuer to become required to register as an investment company under the Investment Company Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder.

Any offers and sales in the United States will only be made by dealers that are registered broker-dealers under Section 15 of the U.S. Securities Exchange Act of 1934, as amended. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until the day immediately following 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified by the Fiscal Agent to such Dealer or Purchaser (as the case may be) or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager within the United States or to, or for the account or benefit of, U.S. persons except in compliance with Rule 144A under the Securities Act and it will have sent to each Dealer or Purchaser to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. In addition, until the day immediately following 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any Dealer or Purchaser (whether or not participating in the offering) may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Dealers may arrange for the resale of Notes to QIBs that are also QPs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB that is also a QP pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Each issue of Index Linked Notes, Commodity Linked Notes and Dual Currency Notes may be subject to such additional U.S. selling restrictions as the Issuer and the relevant Purchaser may agree, as indicated in the applicable Final Terms. Each Dealer has agreed and each other Purchaser will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions. The Dealers may require prospective purchasers of the Notes to provide a certificate substantially in the form attached to the Operating and Administrative Procedures Memorandum evidencing such purchaser's eligibility to purchase such Notes and compliance with the relevant selling restrictions.

French Law Notes may not be offered, sold or otherwise transferred into the United States or to, or for the account or benefit of, U.S. persons.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the **Securities and Exchange Law**). Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

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

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (iii) 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
- (b) 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.”

Selling Restrictions: Jurisdictions within the European Economic Area

The selling restrictions below may not be applicable in the context of a public offer, in which case appropriate modifications will be made in the applicable Final Terms.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Purchaser 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 to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that

Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time 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; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the 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.

United Kingdom

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

- (A) in relation to any Notes issued by Société Générale:
 - (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; 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 any Notes in, from or otherwise involving the United Kingdom.
- (B) in relation to any Notes issued by SGA Société Générale Acceptance N.V. or SG Option Europe:
 - (i) in relation to Notes having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
 - (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any

Notes in circumstances in which Section 21(1) of the FSMA does not or, in the case of the Guarantor, would not, if it was not an authorised person, apply to the Issuer or the Guarantor; and

- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Czech Republic

No permit for the issue of the Notes has been obtained (including the obtaining of the approval of the terms and conditions of the Notes) from the Czech National Bank under Act of the Czech Republic No. 190/2004 Coll., on Bonds (the **Bonds Act**). No action has been taken (including the obtaining of the prospectus approval from the Czech National Bank and the admission to trading on a regulated market (as defined in section 37 of the Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market (the **Capital Market Act**)) for the purposes of the Notes to qualify as listed securities within the meaning of section 44(1) of the Capital Market Act.

Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, that it has not offered or sold, and will not offer or sell, any Notes in the Czech Republic through a public offering, being - subject to several exemptions set out in the Capital Market Act - any communication to a broader circle of persons containing information on the securities being offered and the terms under which they may acquire the securities and which are sufficient for the investor to make a decision to subscribe for, or purchase, such securities.

Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, with the Issuer and each other Dealer and/or Purchaser (as applicable) that it has complied with and will comply with all the requirements of the Capital Market Act and the Bonds Act and has not taken, and will not take, any action which would result in the Notes being deemed to have been issued in the Czech Republic[, the issue of the Notes being classed as “accepting of deposits for the public” by the issuer in the Czech Republic under Section 2(1)(a) of Act of the Czech Republic No. 21/1992 Coll., on Banks (as amended) (the **Bank's Act**)]¹ or requiring a permit, registration, filing or notification to the Czech National Bank or other authorities in the Czech Republic in respect of the Notes in accordance with the Capital Market Act, the Bonds Act[, the Banks' Act] or the practice of the Czech National Bank.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to represent and agree with the Issuer and each other Dealer and/or Purchaser (as applicable) that it has complied with and will comply with all the laws of the Czech Republic applicable to the conduct of business in the Czech Republic (including the laws applicable to the provisions of investment services (within the meaning of the Capital Markets Act) in the Czech Republic) in respect of the Notes.

France

- (A) In relation to any Notes issued by SGA Société Générale Acceptance N.V., each of the Dealers and the Issuer has represented and agreed that, and each further Dealer appointed under the Programme and each other Purchaser will be required to represent and agree that:

¹ The text in square brackets is to be included if the Issuer is not a bank licensed in the Czech Republic or an EU credit institution passported in the Czech Republic.

(i) **Offer to the public in France:**

it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period beginning (a) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* (**AMF**), on the date of such publication or, (b) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Debt Issuance Programme Prospectus all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or

(ii) **Private placement in France:**

[in connection with their initial distribution,]² it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Debt Issuance Programme Prospectus, the relevant Final Terms or any other offering material relating to the Notes and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, [and/or (c) a restricted group of investors (*cercle restreint d'investisseurs*),]³ all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 [and D.411-3]⁶ of the French *Code monétaire et financier*.]

(B) In relation to any Notes issued by Société Générale or SG Option Europe, each of the Dealers and the Issuer has represented and agreed that, and each further Dealer appointed under the Programme and each other Purchaser will be required to represent and agree that in respect of Notes constituting “obligations” under French law and issued in euro whether on a syndicated or non-syndicated basis:

(i) **Offer to the public in France:**

it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* (**AMF**), on the date of its publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Base Prospectus; or

(ii) **Private placement in France:**

[in connection with their initial distribution,]⁴ it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Debt Issuance Programme Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in

² Relevant if admission to trading on Euronext Paris is contemplated.

³ Relevant if a French summary is provided.

⁴ Relevant if admission to trading on Euronext Paris is contemplated.

France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, and/or (c) a restricted group of investors (*cercle restreint d'investisseurs*),⁶ all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 and D.411-3⁶ of the French *Code monétaire et financier*.

In relation to any Notes issued by Société Générale or SG Option Europe, each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to represent and agree that in respect of Notes constituting *obligations* under French law issued in currencies other than euro:

(iii) **Syndicated issues of Notes denominated in currencies other than euro**

[In connection with their initial distribution,]⁷ it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France (*appel public à l'épargne*), and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Debt Issuance Programme Prospectus, the relevant Final Terms 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 through an international syndicate to qualified investors (*investisseurs qualifiés*) other than individuals, as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

(iv) **Non-syndicated issues of Notes denominated in currencies other than euro:**

[In connection with their initial distribution,]⁵ it has not offered or sold and will not offer or sell, directly or indirectly, Notes in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed in France, the Debt Issuance Programme Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and each subscriber will be domiciled or resident outside France for tax purposes.

To the extent that the Notes do not constitute “*obligations*” under French law, these selling restrictions will be amended in the relevant Final Terms.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Debt Issuance Programme Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to professional investors (*operatori qualificati*) (the **Professional Investors**), as defined in Article 31, second paragraph, of CONSOB (the Italian Securities Exchange Commission) Regulation No. 11522 of 1 July 1998, as amended (**Regulation No. 11522**); or
- (ii) in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (**Regulation No. 11971**).

⁵ Relevant if admission to trading on Euronext Paris is contemplated.

Any offer, sale or delivery of the Notes or distribution of copies of the Debt Issuance Programme Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Regulation No. 11522 and Legislative Decree No. 385 of 1 September 1993 as amended (the **Banking Act**); and
- (b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement(s) imposed by CONSOB.

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on solicitation of investments applies under (i) and (ii) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors. .

Netherlands Antilles

The Notes may not be offered or sold, directly or indirectly, to residents of the Netherlands Antilles (including corporations and partnerships organised under the laws thereof) unless they have non-resident status under Netherlands Antilles foreign exchange control regulations.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to represent and agree that any Notes with a maturity of less than 12 months and a denomination of less than €50,000 will only be offered in The Netherlands to professional market parties as defined in the Financial Supervision Act (*Wep ophet financieel toezicht*) and the decrees issued pursuant thereto.

Switzerland

Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, that, in respect of SIS Notes, it will comply with any laws, regulations or guidelines in Switzerland from time to time, including, but not limited to, regulations made by the Swiss National Bank (if any) as well as the requirements in respect of the distribution of SIS Notes set out in Condition 1(a)-(g) of the Terms and Conditions of the English Law Notes and the Uncertificated Notes, in relation to the offer, sale, delivery or transfer of SIS Notes or the distribution of any offering material in Switzerland in respect of such Notes.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Purchaser will be required to agree, that it will (to the best of its knowledge and belief) comply with all

applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Debt Issuance Programme Prospectus or any offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuers, the Guarantor nor any other Dealer shall have any responsibility therefor.

None of the Issuers, the Guarantor or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Purchaser will be required to comply with such other restrictions as the relevant Issuer and the relevant Purchaser shall agree and as shall be set out in the applicable Final Terms and relevant syndication agreement (if applicable).

GENERAL INFORMATION

Authorisation

No authorisation procedures are required of Société Générale or SG Option Europe by French law for the establishment or update of the Programme or the giving of the guarantees in respect of the Programme. However, to the extent that Notes issued by Société Générale under the Programme may constitute *obligations* under French law, the issue of such Notes will be authorised in accordance with French law.

The update of the Programme and the issue of Notes under the Programme have been duly authorised by resolutions of the Board of Directors of SGA Société Générale Acceptance N.V. dated 27 April 2007.

Listing and Admission to Trading on the Luxembourg Stock Exchange

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Investment Services Directive (Directive 93/22/EEC).

Availability of Documents

For the period of 12 months following the date of approval of this Debt Issuance Programme Prospectus, copies of the following documents will, when published, be available for inspection from the head office of each of Société Générale, SGA Société Générale Acceptance N.V. and SG Option Europe and from the specified offices of the Paying Agents (including the Principal Swiss Paying Agent) for the time being in Dublin, Luxembourg, New York and Paris, in each case at the address given at the end of this Debt Issuance Programme Prospectus:

- (a) copies of the *statuts* of Société Générale and SG Option Europe (with English translations thereof) and the Deed of Incorporation, as amended, of each of SGA Société Générale Acceptance N.V.;
- (b) the English version of the 2006 Registration Document of Société Générale (which contains, *inter alia*, the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2005 and the related notes and audit report) and the English version of the 2007 Registration Document of Société Générale (which contains, *inter alia*, the audited annual consolidated financial statements of Société Générale for the financial year ended 31 December 2006 and the related notes and audit report);
- (c) the audited annual financial statements for the financial years ended 31 December 2005 and 31 December 2006 of SGA Société Générale Acceptance N.V. and the related notes and audit reports for each such year;
- (d) the audited annual financial statement for the financial years ended 31 December 2004 and 31 December 2005 of SG Option Europe and the related notes and audit reports for each such year as well as the unaudited interim financial statement for the six-month period ended 30 June 2006;
- (e) the Programme Agreement, the Deed of Covenant, the Deed Poll, the Guarantee, the Portfolio Management Deed, the Agency Agreement (which includes, *inter alia*, the forms of the global Notes (including Registered Global Notes), Receipts, Coupons and Talons and Notes in definitive form and the form of the Swiss Paying Agency Agreement) and the French Law Agency Agreement (which

includes the form of the *Lettre Comptable*, the Temporary Global Certificates, the Definitive Materialised Bearer Notes, the Coupons, the Receipts and the Talons);

- (f) a copy of this Debt Issuance Programme Prospectus;
- (g) any future prospectuses, information memoranda and supplements including the Final Terms (save that Final Terms relating to Private Placement Notes will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer or Paying Agent as to its holding of such Notes and identity) to this Debt Issuance Programme Prospectus and any other documents incorporated herein or therein by reference;
- (h) in the case of each issue of Notes admitted to trading on the Luxembourg Stock Exchange's regulated market subscribed pursuant to a syndication agreement, the syndication agreement (or equivalent document).

In addition, this Debt Issuance Programme Prospectus, documents incorporated by reference herein and any Final Terms relating to Notes admitted to trading on the Luxembourg Stock Exchange's regulated market as aforementioned will be published on the internet site of the Luxembourg Stock Exchange at www.bourse.lu.

No Material Adverse Change

Save as disclosed in this Debt Issuance Programme Prospectus, there has been no material adverse change in the prospects of SGA Société Générale Acceptance N.V., SG Option Europe and Société Générale and its consolidated subsidiaries (taken as a whole) since their last respective audited financial statements dated 31 December 2006 (in the case of SGA Société Générale Acceptance N.V. and Société Générale) and 31 December 2005 (in the case of SG Option Europe).

Save as disclosed in this Debt Issuance Programme Prospectus, there has been no significant change in the financial or trading position of SGA Société Générale Acceptance N.V., SG Option Europe and Société Générale and its consolidated subsidiaries (taken as a whole) since, in the case of SGA Société Générale Acceptance N.V. and Société Générale, the publication of their most recent respective financial information dated 31 December 2006 and, in the case of SG Option Europe, the publication of its interim unaudited financial statements dated 30 June 2006.

Litigation

Except as disclosed in this Debt Issuance Programme Prospectus, there are no litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Programme or the issue of Notes thereunder to which SGA Société Générale Acceptance N.V., SG Option Europe or Société Générale is a party nor, to the best of the knowledge and belief of SGA Société Générale Acceptance N.V., SG Option Europe and Société Générale, are there any threatened litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Programme or the issue of Notes thereunder which would in either case jeopardise their ability to discharge their respective obligations in respect of the Programme or of Notes issued thereunder. The most significant litigation in which Société Générale is currently involved is briefly described in the section headed "*Risks and Litigation*" in the English version of the 2007 Registration Document of Société Générale copies of which are available at the offices of Société Générale and Société Générale Bank & Trust in Luxembourg specified in "*Availability of Documents*" above. The information provided in the section headed "*Risks and Litigation*" may be updated from time to time and if any such updates constitutes a significant new factor for the purposes of Article 16 of the Prospectus Directive, it shall be made by way of a Supplement to the Debt Issuance Programme Prospectus.

Clearing Systems

The Notes have been accepted for clearance through Euroclear France or Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear France or Euroclear and/or Clearstream, Luxembourg will be contained in the applicable Final Terms. Notes may be held through additional or alternative clearing systems (including, without limitation, SIS SEGAINTERSETTLE AG, VPC AB or the Finnish Central Securities Depository Ltd.) in which case the appropriate information will be contained in the applicable Final Terms. In addition, the Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with the relevant ISIN and Common Code, will be specified in the applicable Final Terms.

The address of Euroclear is 1, boulevard du Roi Albert II, B-1210, Brussels, Belgium; the address of Clearstream, Luxembourg is 42, avenue J F Kennedy, L-1855, Luxembourg; the address of VPC AB is Box 7822, SE-103 97 Stockholm, Sweden, the address of the Finnish Central Securities Depository Ltd. is Urho Kekkosen katu 5 C, FI-00100, Helsinki, Finland. The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France and the address of DTC is 55 Water Street, New York NY 10041-0099, USA.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Purchaser(s) at the time of issue in accordance with prevailing market conditions.

Auditors

The auditors of Société Générale are Ernst & Young Audit (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mr Christian Mouillon until 30 May 2006 and by Mr Philippe Peuch-Lestrade thereafter, Faubourg de l'Arche, 92037 Paris-La Défense Cedex, France and Deloitte & Associés (formerly named Deloitte Touche Tohmatsu) (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mr José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine Cedex, France, who have audited Société Générale's accounts, without qualification, in accordance with generally accepted auditing standards in France, for each of the two financial years ended on 31 December 2005 and 31 December 2006. The consolidated financial statements of Société Générale as of and for the year ended 31 December 2006 were prepared in accordance with International Financial Reporting Standards as endorsed by the European Union as of 31 December 2006. The auditors of Société Générale have no material interest in Société Générale.

The auditors of SGA Société Générale Acceptance N.V. are Ernst & Young et Autres (having changed their name from Barbier Frinault & Autres, Ernst & Young Network on 1 July 2006) (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mrs Isabelle Santenac, 41 rue Ybry, 92576 Neuilly-sur-Seine Cedex, France, who have audited SGA Société Générale Acceptance N.V.'s accounts, without qualification, in accordance with generally accepted auditing standards in France for each of the two financial years ended on 31 December 2005 and 31 December 2006. The auditors of SGA Société Générale Acceptance N.V. have no material interest in SGA Société Générale Acceptance N.V.

The auditors of SG Option Europe are Ernst & Young Audit (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mrs Isabelle Santenac, Faubourg de l'Arche, 92037 Paris-La Défense Cedex, France and Deloitte & Associés (formerly named Deloitte Touche Tohmatsu) (member of the French *Compagnie nationale des commissaires aux comptes*) represented by Mr José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine Cedex, France, who have audited SG Option Europe's accounts, without qualification, in accordance with generally accepted auditing standards in France, for each of the financial years ended on 31 December 2004 and 31 December 2005 and who have reviewed the financial

statements for the six-month period ended 30 June 2006. The auditors of SG Option Europe have no material interest in SG Option Europe.

Post-issuance information

The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities.

Dealers transacting with the Issuers and the Guarantor

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuers, the Guarantor and their affiliates in the ordinary course of business.

ISSUER AND GUARANTOR

Société Générale

29, boulevard Haussmann
75009 Paris
France

ISSUER

SGA Société Générale Acceptance N.V.

Landhuis Joonchi, Kaya Richard J. Beaujon z/n
Curaçao
Netherlands Antilles

SG Option Europe

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92800 Puteaux
France

ARRANGER

Société Générale

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OPER/DFI/TAU/EXO
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France

DEALERS

Société Générale

Tour Société Générale
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OPER/DFI/TAU/EXO
92987 Paris La Défense Cedex
France

Société Générale Asset Management Banque

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Société Générale Bank & Trust

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Luxembourg

FISCAL AGENT

Société Générale Bank & Trust

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Luxembourg

REGISTRAR, TRANSFER AGENT AND EXCHANGE AGENT

Société Générale Bank & Trust

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Luxembourg

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United States of America

**HSBC Institutional Trust Services (Ireland)
Limited**

HSBC House
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Dublin 2
Ireland

LEGAL ADVISERS

*To the Issuers and the Guarantor
as to English, French and U.S. law*

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as to Finnish law

White & Case LLP

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92200 Neuilly-sur-Seine Cedex
France

*To SGA Société Générale
Acceptance N.V.*

To SG Option Europe

To SG Option Europe

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LISTING AGENT

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Luxembourg