

BASE PROSPECTUS



RÉSEAU FERRÉ DE FRANCE

Réseau Ferré de France

(established as an "*établissement public industriel et commercial*"
under the laws of the Republic of France)

Euro 30,000,000,000

Euro Medium Term Note Programme

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 (the **Notes**) issued under the programme (the **Programme**) described in this Base Prospectus 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 during the period of 12 months from the date of publication of this Base Prospectus. The Programme also permits Notes to be issued on the basis that they may be listed or admitted to trading, as the case may be, on such other or further stock exchanges as may be agreed between the Issuer and the relevant Dealer(s). The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these, see "*Risk Factors*" on pages 21 to 27.

This Base Prospectus replaces and supersedes in its entirety the Base Prospectus dated 11 June 2009, and the Supplements thereto dated 15 October 2009, 25 February 2010 and 19 April 2010, relating to the Programme.

The Programme has been rated Aaa by Moody's Investors Service, AAA by Standard & Poor's Ratings Services and AAA by Fitch Ratings. Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organisation. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Any person (an **Investor**) intending to acquire or acquiring any securities from any person (an **Offeror**) should be aware that, in the context of an offer to the public, the Issuer may be responsible to the Investor for the Base Prospectus, but only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents it should take legal advice.

Arranger for the Programme

Credit Suisse

Dealers

Barclays Capital

Commerzbank

Credit Suisse

HSBC

Natixis

Société Générale Corporate & Investment Banking

UBS Investment Bank

BNP PARIBAS

Crédit Agricole CIB

Goldman Sachs International

J.P. Morgan

RBC Capital Markets

The Royal Bank of Scotland

The date of this Base Prospectus is 10 June 2010.

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the **Prospectus Directive**).

This Base Prospectus should be read and construed with any supplement hereto and with any other documents incorporated by reference herein and, in relation to any Series (as defined herein) of Notes, should be read and construed together with the relevant Final Terms (as defined herein).

The Issuer (as defined below) (the **Responsible Person**) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base 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 Base Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus.

References in this Base Prospectus to Notes which are intended to be listed (and all related references) shall mean that such Notes are intended to be admitted to trading on the Luxembourg Stock Exchange's regulated market or on such other or further stock exchanges as may be agreed between the Issuer and the relevant Dealer(s), and to be listed on such stock exchange(s). The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC) (a **MiFID Regulated Market**).

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 under "*Terms and Conditions of the Notes*") of Notes will be set out in the applicable final terms (the **Final Terms**) which, with respect to Notes to be listed on the Luxembourg Stock Exchange will be filed with the *Commission de Surveillance du Secteur Financier* (the **CSSF**).

Copies of Final Terms will be available free of charge from the head office of the Issuer and the specified office of the Paying Agents (as defined below), in each case at the address given at the end of this Base Prospectus.

Réseau Ferré de France (**RFF** or the **Issuer**) has confirmed to the dealers (the **Permanent Dealers**) named under "*Subscription and Sale*" below that this Base Prospectus contains all information regarding the Issuer and the Notes which is, in the context of the issue of the Notes, material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions and intentions expressed in this Base Prospectus on the part of the Issuer are honestly held or made; this Base Prospectus does not omit to state any material fact necessary to make such information, opinions or intentions in such context expressed therein not misleading in any material respect and that all reasonable enquiries have been made to verify the foregoing. The Issuer accordingly accepts responsibility for the information contained in this document.

No person has been authorised by the Issuer to give any information or to make any representation not contained in this Base Prospectus and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer (as defined under "*Summary of the Programme*").

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates make any representation or warranty or accept any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or for any other statement, made or purported to be made by any of the Dealers or their respective affiliates in connection with the Issuer or the issue and offering of the Notes. Neither the delivery of this Base Prospectus or any Final Terms nor the

offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or, as the case may be, the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial situation of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with making an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than the Dealers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information. The Investor must look to the Offeror at the time of such offer for the provision of such information. The Issuer has no responsibility to an Investor in respect of such information.

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

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, 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 NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**)). THIS BASE PROSPECTUS HAS BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE NOTES OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) AND FOR THE LISTING OF NOTES ON THE LUXEMBOURG STOCK EXCHANGE AND/OR ANY OTHER STOCK EXCHANGE. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND

DISTRIBUTION OF THIS BASE PROSPECTUS, SEE "*SUBSCRIPTION AND SALE*" BELOW.

IN ADDITION, THERE ARE RESTRICTIONS ON THE TRANSFER OF NOTES RESOLD PURSUANT TO RULE 144A. SEE "*TRANSFER RESTRICTIONS*" BELOW.

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 RSA 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 PERSONS, 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.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate nominal amount of Notes outstanding at any one time under the Programme will not exceed Euro 30,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into Euro at the date of the agreement to issue such Notes, calculated in accordance with the provisions of the Dealership Agreement as defined in "*Subscription and Sale*" below. The maximum aggregate nominal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealership Agreement.

THIS BASE PROSPECTUS HAS BEEN PREPARED ON THE BASIS THAT, EXCEPT TO THE EXTENT SUB-PARAGRAPH (II) BELOW MAY APPLY, ANY OFFER OF NOTES IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A **RELEVANT MEMBER STATE**) WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS DIRECTIVE, AS IMPLEMENTED IN THAT RELEVANT MEMBER STATE, FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF NOTES. ACCORDINGLY ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THAT RELEVANT MEMBER STATE OF NOTES WHICH ARE THE SUBJECT OF AN OFFERING CONTEMPLATED IN THIS BASE PROSPECTUS AS COMPLETED BY FINAL TERMS IN RELATION TO THE OFFER OF THOSE NOTES MAY ONLY DO SO (I) IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY DEALER TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE OR SUPPLEMENT A PROSPECTUS PURSUANT TO ARTICLE 16 OF THE PROSPECTUS DIRECTIVE, IN EACH CASE, IN RELATION TO SUCH OFFER, OR (II) IF A PROSPECTUS FOR SUCH OFFER 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 AND (IN EITHER CASE) PUBLISHED, ALL IN ACCORDANCE WITH THE PROSPECTUS DIRECTIVE, PROVIDED THAT ANY SUCH PROSPECTUS HAS SUBSEQUENTLY BEEN COMPLETED BY FINAL TERMS WHICH SPECIFY THAT OFFERS MAY BE MADE OTHER THAN PURSUANT TO ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE IN THAT RELEVANT MEMBER STATE AND SUCH OFFER IS MADE IN THE PERIOD

BEGINNING AND ENDING ON THE DATES SPECIFIED FOR SUCH PURPOSE IN SUCH PROSPECTUS OR FINAL TERMS, AS APPLICABLE. EXCEPT TO THE EXTENT SUB-PARAGRAPH (II) ABOVE MAY APPLY, NEITHER THE ISSUER NOR ANY DEALER HAVE AUTHORISED, NOR DO THEY AUTHORISE, THE MAKING OF ANY OFFER OF NOTES IN CIRCUMSTANCES IN WHICH AN OBLIGATION ARISES FOR THE ISSUER OR ANY DEALER TO PUBLISH OR SUPPLEMENT A PROSPECTUS FOR SUCH OFFER.

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 OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES OF THE SERIES (AS DEFINED BELOW) OF WHICH SUCH TRANCHE FORMS PART 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. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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General Description of the Programme

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the Terms and Conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes, as modified by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under "*Form of the Notes*" below.

This Base Prospectus and any supplement will only be valid for the admission to trading of Notes on the regulated market of the Luxembourg Stock Exchange, if applicable, in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed Euro 30,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the "*Form of Final Terms*" on pages 68 and 88) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
- (b) the euro equivalent of Index Linked Notes, Dual Currency Notes and Partly Paid Notes (each as specified in the applicable Final Terms under "*Form of Final Terms*" on pages 73, 74, 77 and pages 93, 94, 97) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and
- (c) the euro equivalent of Zero Coupon Notes (as specified in the applicable Final Terms under "*Form of Final Terms*" on pages 73 and 93) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

Documents Incorporated by Reference

The following documents, which has previously been published and filed with the CSSF, shall be incorporated in, and form part of, this Base Prospectus:

- a free English language translation of the 2008 financial report (including, *inter alia*, the Issuer's audited annual non-consolidated and consolidated financial statements, comprising the balance sheets, income statements and cash flow statements) including the statutory auditors' reports and the notes relating to such financial statements for the financial year ended 31 December 2008 ("**2008 Financial Report**"),
- a free English language translation of the 2009 financial report (including, *inter alia*, the Issuer's audited annual non-consolidated and consolidated financial statements, comprising the balance sheets, income statements and cash flow statements) including the statutory auditors' reports and the notes relating to such financial statements for the financial year ended 31 December 2009 ("**2009 Financial Report**"),

save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus (as permitted by Article 11 of the Prospectus Directive) can be obtained from the registered office of the Issuer and from the specified office of each Paying Agent for the time being in Luxembourg and Paris. Documents incorporated by reference and this Base Prospectus, as well as any Final Terms relating to Notes which are admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on such Stock Exchange, will also be published on the Luxembourg Stock Exchange's website (www.bourse.lu).

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement of this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

The table below sets out the relevant page references for a free English language translation of the Directors' report, the Issuer's audited annual non-consolidated financial statements for each of the financial years ended 31 December 2008 and 2009, the annual consolidated financial statements for the financial year ended 31 December 2008 and 2009, and a free English Language translation of the statutory auditors' reports thereto.

| Information Incorporated by Reference | Reference |
|--|--|
| A free English language translation of the Non-Consolidated Balance Sheets as at 31 December 2008 and 2009 | 2009 Financial Report, page 92 2008 Financial Report, page 84 |
| A free English language translation of the Non-Consolidated Income Statement for the years | 2009 Financial Report, pages 93-94 |

Documents Incorporated by Reference

| Information Incorporated by Reference | Reference |
|---|--|
| ended 31 December 2008 and 2009 | 2008 Financial Report, pages 85-86 |
| A free English language translation of the Non-Consolidated Statement of Cash Flows as at 31 December 2008 and 2009 | 2009 Financial Report, pages 95-96 2008 Financial Report, pages 87-88 |
| A free English language translation of the Notes to the Non-Consolidated Financial Statements as at 31 December 2008 and 2009 | 2009 Financial Report, pages 97-122 2008 Financial Report, pages 89-114 |
| A free English language translation of the Statutory Auditors' Reports on the Non-Consolidated Financial Statements for the years ended 31 December 2008 and 2009 | 2009 Financial Report, page 124 2008 Financial Report, page 116 |
| A free English language translation of the Consolidated Balance Sheet as at 31 December 2008 and 2009 | 2009 Financial Report, page 21 2008 Financial Report, page 20 |
| A free English language translation of the Consolidated Income Statement for the years ended 31 December 2008 and 2009 | 2009 Financial Report, page 22 2008 Financial Report, page 21 |
| A free English language translation of the Consolidated Statement of Cash Flows as at 31 December 2008 and 2009 | 2009 Financial Report, page 23 2008 Financial Report, page 22 |
| A free English language translation of the Consolidated Statement of changes in equity as at 31 December 2008 and 2009 | 2009 Financial Report, page 24 2008 Financial Report, page 23 |
| A free English language translation of the Notes to the Consolidated Financial Statements as at 31 December 2008 and 2009 | 2009 Financial Report, pages 25-73 2008 Financial Report, pages 24-67 |
| A free English language translation of the Statutory Auditors' Report on the Consolidated Financial Statements for the years ended 31 December 2008 and 2009 | 2009 Financial Report, page 75 2008 Financial Report, page 69 |

Any information not listed in the cross reference list above but included in the document incorporated by reference is given for information purposes only and does not form part of this Prospectus.

PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to Article 13 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (the **Luxembourg Act**), the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a further prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a prospectus supplement as required by Article 13 of the Luxembourg Act.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

Summary of the Programme

(also represents the Overview of the Programme)

This summary must be read as an introduction to this Base Prospectus and any decision to invest in any Notes should be based on a consideration of this Base 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 Person 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 Base Prospectus. Where a claim relating to information contained in this Base 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 Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this summary.

Issuer: Réseau Ferré de France (**RFF**) is a State-owned entity (*Etablissement public industriel et commercial* - EPIC). It was established with retroactive effect from 1 January 1997 by Act no. 97-135 of 13 February 1997 (the **Reform Act**) for the purpose of reorganising French rail transport.

RFF's purpose is to enhance French rail transport and achieve sustainable development by regenerating the national rail infrastructure and ensuring its cohesion.

As a public body, RFF does not have any share capital (in the legal sense of the term). RFF has no shares and pays no dividends.

Description: Euro Medium Term Note Programme.

Arranger: Credit Suisse Securities (Europe) Limited.

Dealers: Barclays Bank PLC, BNP PARIBAS, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities Ltd., Natixis, Royal Bank of Canada Europe Limited, Société Générale, The Royal Bank of Scotland plc and UBS Limited (the **Permanent Dealers**) and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche (as defined below) of Notes (together with the Permanent Dealers, the **Dealers**).

Summary of the Programme

| | |
|--|--|
| Fiscal Agent and Principal Paying Agent: | BNP Paribas Securities Services, Luxembourg Branch |
| Registrar: | BNP Paribas Securities Services, Luxembourg Branch |
| Transfer Agent: | BNP Paribas Securities Services, Luxembourg Branch |
| Paris Paying Agent: | BNP Paribas Securities Services |
| Luxembourg Listing Agent: | KBL European Private Bankers S.A. |
| Fiscal Agency Agreement: | <p>The fiscal agency agreement dated 10 June 2010 made between Réseau Ferré de France and the agent named therein (the Fiscal Agency Agreement) entered into in relation to the Notes principally contains provisions relating to the payment and administrative procedures relating to the Notes. In addition, it contains the forms of temporary global note, permanent global note, global certificate, definitive notes, certificates, the Terms and Conditions of the Notes and provisions relating to meetings of holders of the Notes. The Terms and Conditions of the Notes contain the material provisions of the Fiscal Agency Agreement in relation to the issue of Notes under the Programme.</p> |
| Programme Amount: | <p>Up to Euro 30,000,000,000 (or the equivalent in other currencies at the date of issue) in aggregate nominal amount of Notes outstanding at any one time. The Issuer may increase the aggregate nominal amount of the Programme in accordance with the Dealership Agreement.</p> |
| Issuance in Series: | <p>The Notes will be issued on a syndicated or non-syndicated basis. Notes will be issued in series (each, a Series). Each Series may comprise one or more tranches (Tranches and each, a Tranche) issued on different issue dates. The Notes of each Series will all be subject to identical terms, whether as to currency, interest, maturity or otherwise, or terms which are identical except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.</p> |
| Form of Notes: | <p>Notes may be issued in bearer form (Bearer Notes) or in registered form (Registered Notes).</p> <p>In respect of each Tranche of Bearer Notes issued the Issuer will deliver a temporary global note in bearer form (a Temporary Global Note) or (i) in respect of Notes to which U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) applies or (ii) in respect of Notes to which TEFRA does not apply, in each case as so specified in such Final Terms, a permanent global note (a Permanent Global Note, together with Temporary Global Note, a Global Note).</p> |

Such Global Note 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 S.A./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 before the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream Luxembourg and/or any other relevant clearing system.

Each Temporary Global Note will be exchangeable for interests in a Permanent Global Note or, if so specified in the relevant Final Terms, for Bearer Notes in definitive form (**Definitive Notes**) or, if so specified in the relevant Final Terms, Registered Notes in accordance with its terms. Each Permanent Global Note will be exchangeable for Definitive Notes in the circumstances specified in the applicable Final Terms or (if so specified in the relevant Final Terms) Registered Notes in accordance with its terms. Any such exchange may be subject to the delivery of a non-U.S. beneficial ownership certificate (see further under "*Provisions Relating to the Notes whilst in Global Form*" below). Definitive Notes will, if interest-bearing, either have interest coupons (**Coupons**) attached and, if appropriate, a talon (**Talon**) for further Coupons and will, if the principal thereof is repayable by instalments, have payment receipts (**Receipts**) attached.

Registered Notes which are delivered outside any clearing system will be represented by individual certificates (**Individual Note Certificates**), one Individual Note Certificate being issued in respect of each holder's entire holding of Registered Notes of one Series. Registered Notes that are registered in the name of a nominee for one or more clearing systems will be represented by global certificates (**Global Note Certificates**).

Currencies:

Notes may be denominated in any currency or currencies, (including without limitation, Australian dollars (**AUD**), Canadian dollars (**CAD**), Euro (**Euro** or **€**), Japanese Yen (**JPY**), New Zealand dollars (**NZD**), Pounds Sterling (**GBP** or **£**), Swiss Francs (**CHF**) and United States dollars (**USD**), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and as further specified in the relevant Final Terms. Payments in respect of Notes may, subject to compliance as aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Summary of the Programme

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| Status: | Notes will be issued on an unsubordinated basis, as set out in Condition 3 — see " <i>Terms and Conditions of the Notes — Status of the Notes</i> ". |
| Negative Pledge: | There will be a negative pledge as set out in Condition 4 — see " <i>Terms and Conditions of the Notes — Negative Pledge</i> ". |
| Cross Default: | There will be a cross default as set out in Condition 7(c) — see " <i>Terms and Conditions of the Notes — Events of Default</i> ". |
| Issue Price: | Notes may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Final Terms. |
| Maturities: | Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements. |
| Redemption: | <p>Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula or otherwise) as may be specified in the relevant Final Terms.</p> <p>Unless otherwise permitted by then current laws and regulations, Notes in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom and having a maturity of less than one year from the date of issue, (a) shall have a redemption value of not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than sterling), and (b) no part of any such Note may be transferred unless the redemption value of that part is not less than £100,000 (or such equivalent amount).</p> |
| Early Redemption: | Early redemption will be permitted for taxation reasons as mentioned in " <i>Terms and Conditions of the Notes — Redemption and Purchase — Early Redemption for Taxation Reasons</i> ", but will otherwise be permitted only to the extent specified in the relevant Final Terms. |
| Interest: | Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed or floating rate or a combination thereof and may vary during the lifetime of the relevant Series. |
| Specified Denominations: | Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and save (a) that the minimum specified denomination of each Note admitted to trading on a MiFID Regulated Market or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be Euro 1,000 (or, if the Notes are denominated in a currency other than |

euro, the equivalent amount in such currency) or such other higher 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; and (b) unless otherwise permitted by then current laws and regulations, Notes in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom and having a maturity of less than one year from the date of issue, (i) shall have a redemption value of not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than sterling), and (ii) no part of any such Note may be transferred unless the redemption value of that part is not less than £100,000 (or such equivalent amount).

Any Notes resold pursuant to Rule 144A shall be in denominations of U.S.\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)) or higher integral multiples of U.S.\$1,000.

Redenomination:

Notes issued in the currency of any Member State of the EU which participates in the third stage of EMU may be redenominated into Euro pursuant to the provisions of "*Terms and Conditions of the Notes — Payments — Euro Provisions*" below.

Taxation:

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

2. Notes issued on or after 1 March 2010 (except Notes that are issued on or after 1 March 2010 and which are to be consolidated (*assimilées* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts* (the **French General Tax Code**)) fall under the new French withholding tax regime pursuant to the French *loi de finances rectificative pour 2009* no. 3 (n°2009-1674 dated 30 December 2009), applicable as from 1 March 2010 (the **Law**). Payments of interest and other revenues made by the Issuer on such Notes will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions described below and the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code.

Furthermore, interest and other revenues on such Notes will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French General Tax code, at a rate of 25% or 50%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply if RFF in its capacity as Issuer can prove that the principal purpose and effect of a particular issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the ruling N° 2010/11 (*rescrit*) of the *Direction générale des impôts* published on 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

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

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

3. Interest and other revenues on Notes issued (or deemed issued) outside France as provided under Article 131 *quater* of the French General Tax Code, before 1 March 2010 (or Notes that are issued on or after 1 March 2010 and which are to be consolidated (*assimilées* for the

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purpose of French law) and form a single series with such Notes) will continue to be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code.

In addition, interest and other revenues paid by the Issuer on Notes issued before 1 March 2010 (or Notes issued on or after 1 March 2010 and which are to be consolidated (*assimilables* for the purpose of French law) and form a single series with such Notes) will not be subject to the withholding tax set out in Article 119 *bis* of the French General Tax Code solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Risk Factors:

There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "*Risk Factors*" below and include the following:

- Market risks (interest rate, counterparty and currency risks)

Interest rate risk: because of the significant level of its net debt, which it must refinance on the financial markets, RFF is exposed to interest rate risk.

Counterparty risk: RFF is exposed to counterparty risk both on its day-to-day treasury management and in the management of its medium- and long-term debt.

Currency risk: RFF negotiates foreign currency financings. Such financings are almost systematically converted into euro.

- Legal risks

In addition to the legal risks relating to the possibility of RFF being sued as an owner and operator, and also as prime contractor, RFF is also confronted with new legal risks relating to developments in the regulatory framework applicable to it, requiring implementation and reinforcement of measures to ensure equal access to the national rail network for all train operators.

- Operational risks

Operational risks are mainly related to the condition of the rail network.

- Economic risks

RFF's macro-economic strategy is dictated by the growth in traffic and the knock-on effects on access fee income, as well as by effective control over maintenance and network expansion

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costs.

- Insurance policy

RFF's policy with respect to insurance underwent considerable changes in 2006. RFF obtained (i) liability insurance coverage with effect from January 2007 for risks related to all of its activities, property and casualty insurance coverage for its assets and business interruption coverage for the resulting fee losses and (ii) construction insurance with effect from 2008.

See "*Risk Factors*" below for further details.

Certain risks relating to Notes depend on their features and may include (i) limited and/or volatile market value of the Notes, (ii) redemption when reinvestment circumstances are not advantageous for a holder of Notes (a **Noteholder**), (iii) reduced or no payment of interest, (iv) payment of principal or interest at a different time or in a different currency than expected and/or (v) loss of all or part of a Noteholder's investment - this may be due to the Notes (or any return of capital or interest thereon) being (i) subject to optional redemption by the Issuer, (ii) determined by reference to an index, formula, asset or other reference factor (such as securities, commodities, exchange rates, etc.), (iii) payable in various currencies, (iv) payable, as to their issue price, in instalments, (v) subject to caps, floors, leverage or other factors or any combination thereof, (vi) subject to an inverse floating rate of interest, (vii) subject to a fixed-to-floating (or floating-to-fixed) rate of interest, (viii) issued at a discount or premium from their principal amount and/or (ix) subordinated. 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) credit ratings not reflecting all risks relating to the Notes and/or (viii) certain investors being subject to laws and regulations or review or regulation by certain authorities.

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.

Governing Law:

The Notes, all related contractual documentation and any non-contractual obligations arising out of or in connection therewith will be governed by English law.

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| Listing and Admission to Trading: | <p>Application has 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 Luxembourg Stock Exchange.</p> <p>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 Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>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.</p> |
| Rating: | <p>The Programme has been rated Aaa by Moody's Investors Service, AAA by Standard & Poor's Ratings Services and AAA by Fitch Ratings. The ratings of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.</p> |
| Transfer Restrictions: | <p>There are restrictions on the transfer of restricted registered Notes resold pursuant to Rule 144A under the Securities Act. See "<i>Terms and Conditions of the Notes — Title and Transfer</i>" and "<i>Transfer Restrictions for Restricted Registered Notes in the Territory of the United States of America</i>".</p> |
| Terms and Conditions: | <p>Final Terms will be prepared in respect of each Tranche of Notes a copy of which will, in the case of Notes to be listed on the Luxembourg Stock Exchange and/or any other stock exchange be delivered to the Luxembourg Stock Exchange and/or such other stock exchange, as the case may be, on or before the date of issue of such Notes. The terms and conditions applicable to each Tranche will be those set out herein under "<i>Terms and Conditions of the Notes</i>" as supplemented by the relevant Final Terms.</p> |
| Enforcement of Notes in Global Form: | <p>In the case of Notes in global form, investors' rights will be supported by an amended and restated Deed of Covenant dated 10 June 2010, a copy of which will be available for inspection at the specified office of the Fiscal Agent.</p> |
| Clearing Systems: | <p>Euroclear, Clearstream, Luxembourg and/or any other clearing system (including Euroclear France) as may be specified in the relevant Final Terms.</p> |
| Selling Restrictions: | <p>For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, France, Japan and Switzerland, see "<i>Subscription and Sale</i>". Further restrictions (or amendments to those stated below) may be required in connection with any particular Tranche of Notes and will be specified</p> |

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in the documentation relating to such Tranche.

Risk Factors

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

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.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer 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 Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

1 - Financial risks

Market risks primarily comprise: interest rate risk (debt restructuring), counterparty risk (cash management and long and medium term debt management), currency risk (foreign currency financing subject to a systematic conversion to euros).

In addition to these market risks, RFF is also exposed to financial risks relating to its financial involvement in different investment operations. Regarding financial risks, RFF has set up, in accordance with Article 4 of its Articles of Association, a methodology and principles approved by its Board of Directors in order to safeguard, *ex ante*, the financial stability of network development projects.

In accordance with the performance contract signed with the French State, RFF has undertaken to organise and implement a strategy for the financial monitoring of development investments. The main objectives expected of this enhancement strategy are (i) the improved management of the balance of projects in the long term, (ii) feedback in order to enhance the quality and reasoning of *ex-ante* evaluations, (iii) adjustment of financial clauses and funding requests with co-financiers and optimisation of debt management and (iv) improved financial trend monitoring to maintain RFF's financial stability.

2 - Legal risks

In addition to legal risks relating to the possibility of RFF being sued as an owner and operator, and also as a prime contractor, RFF is also confronted with new legal risks relating to developments in the regulatory framework to which it is subject. Consequently, RFF must:

- (i) ensure that all rail operators are treated equally and that the manner in which it operates is transparent following the opening of rail freight traffic to competition;
- (ii) ensure the legality of new concession arrangements and public-private partnerships negotiated since RFF was granted the possibility to choose new partners for the exercise of certain of its activities.

3 - Operational risks

The main operational risks relate to the use of the rail network and investment activities.

4 - Insurance policy

Until 2006, RFF had chosen to self insure. Since 2007, RFF subscribes to insurance policies which cover public liability risks relating to all of its activities, risk of damage to its assets and consequential loss of toll revenues. These policies generally cover “all risks subject to exclusions” and also cover natural disasters. They are taken out with leading insurers.

This system was completed in 2008 by a construction insurance arrangement, enabling coverage to be obtained for certain assets under construction or undergoing upgrade or other work. The establishment of the “all construction risk” guarantees reduces exposure to risks during the construction phase and reinforces the analysis of risk during project performance phases.

In addition, a process was set up (within the infrastructure management agreement entered into with SNCF) for the notification and management of damages by SNCF for RFF.

Similarly, discussions on damage prevention were entered into with RFF’s insurer in 2009 (railway site prevention visit). Certain recommendations were implemented and fire prevention guidelines are currently being modified.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

The Notes may not be a suitable investment for all investors

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

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

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has

the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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 to 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 will probably 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, potential investors should consult their own

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financial and legal advisers about the risk entailed by an investment in any Index Linked Notes and the suitability of such Notes in light of their particular circumstances.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing 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 are typically 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 the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, 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, the fixed rate may be lower than then prevailing rates on its Notes.

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.

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

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 located within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories have adopted similar measures.

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

Taxation

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

Change of law

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of 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 Notes may be traded in the clearing systems 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 Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

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

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:

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 (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should

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consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Terms and Conditions of the Notes

The following are the Terms and Conditions of the Notes which, as modified or replaced in relation to any Notes by the relevant Final Terms, will be applicable to each Series of Notes:

The Notes are issued outside the Republic of France pursuant to and in accordance with an amended and restated fiscal agency agreement dated 10 June 2010, (as further supplemented and/or amended from time to time, the **Fiscal Agency Agreement**) and made between Réseau Ferré de France (the **Issuer**), BNP Paribas Securities Services, Luxembourg Branch in its capacities as fiscal agent (the **Fiscal Agent**, which expression shall include any successor to BNP Paribas Securities Services, Luxembourg Branch in its capacity as such), as registrar (the **Registrar**, which expression shall include any successor to BNP Paribas Securities Services, Luxembourg Branch in its capacity as such), as principal paying agent (the **Principal Paying Agent**, which expression shall include any successor or additional principal paying agent appointed in accordance with the Fiscal Agency Agreement) and as transfer agent (the **Transfer Agents**, which expression shall include any successor or additional transfer agent appointed in accordance with the Fiscal Agency Agreement) and BNP Paribas Securities Services in its capacities as Paris paying agent (the **Paris Paying Agent**, which expression shall include any successor Paris paying agent appointed in accordance with the Fiscal Agency Agreement, and together with BNP Paribas Securities Services, Luxembourg Branch, the **Paying Agents**). For the purposes of making determinations or calculations of interest rates, interest amounts, redemption amounts or any other matters requiring determination or calculation in accordance with the Terms and Conditions of any Series of Notes (as defined below), the Issuer may appoint a calculation agent (the **Calculation Agent**) for the purposes of such Notes, in accordance with the provisions of the Fiscal Agency Agreement, and such Calculation Agent shall be specified in the applicable Final Terms. The Notes have the benefit of an amended and restated deed of covenant dated 10 June 2010 (as amended, supplemented as at the Issue Date, the **Deed of Covenant**) executed by the Issuer in relation to the Notes. Copies of the Fiscal Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Paying Agents, the Registrar and the Transfer Agents. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of, and shall be bound by, all of the provisions of the Fiscal Agency Agreement and the Deed of Covenant insofar as they relate to the relevant Notes.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) 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 (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices. Each Tranche will be the subject of a final terms document (the **Final Terms**), a copy of which will be available during normal business hours at the specified offices of each of the Paying Agents or, as the case may be, the Registrar. In the case of a Tranche of Notes in relation to which application has not been made for listing on any stock exchange, copies of the Final Terms will only be available for inspection by a Holder of or, as the case may be, a Beneficiary (as defined in the Deed of Covenant) in respect of, such Notes.

References in these Terms and Conditions to "Notes" are to Notes of the relevant Series and any references to "Coupons" (as defined in Condition 1.2) and "Receipts" (as defined in Condition 1.3) and "Talons" (as defined in Condition 1.2) are to Coupons, Receipts and Talons relating to Notes of the relevant Series.

References in these Terms and Conditions to the Final Terms are to Part A of the Final Terms prepared in relation to the Notes of the relevant Tranche or Series.

In respect of any Notes, references herein to these Terms and Conditions are to these terms and conditions as modified or (to the extent thereof) replaced by the Final Terms.

1. FORM, DENOMINATION AND CURRENCY

Form of Notes

- 1.1 Notes are issued in bearer form (**Bearer Notes**) or in registered form (**Registered Notes**), as specified in the Final Terms. Bearer Notes are serially numbered. Registered Notes are not exchangeable for Bearer Notes.
- 1.2 Interest-bearing Bearer Notes have attached thereto, at the time of their initial delivery, coupons (**Coupons**), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. In addition, if so specified in the Final Terms, such Notes have attached thereto, at the time of their initial delivery, a talon (**Talon**) for further coupons, and the expression "Coupons" shall, where the context so requires, include Talons. With regard to non interest-bearing Notes (**Zero Coupon Notes**), references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Terms and Conditions are not applicable.
- 1.3 Bearer Notes, the nominal amount of which is repayable by instalments (**Instalment Notes**), have attached thereto, at the time of their initial delivery, payment receipts (**Receipts**) in respect of the instalments of principal.

Denomination of Bearer Notes

- 1.4 Bearer Notes are in the denomination or denominations specified in the Final Terms (each a **Specified Denomination**). Bearer Notes of one denomination may not be exchanged for Bearer Notes of any other denomination (other than in connection with any exchange pursuant to Condition 9D).

Denomination of Registered Notes

- 1.5 All Registered Notes shall have the same Specified Denomination.

Currency of Notes

- 1.6 The Notes are denominated in such currency as may be specified in the Final Terms (the **Specified Currency**). Any currency may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Partly Paid Notes

- 1.7 Notes may be issued on a partly paid basis (**Partly Paid Notes**) if so specified in the Final Terms. The subscription moneys therefor shall be paid in such number of instalments (**Partly Paid Instalments**), in such amounts, on such dates and in such manner as may be specified in the Final Terms. The first such instalment shall be due and payable on the date of issue of the Notes. For the purposes of these Terms and Conditions, in respect of any Partly Paid Note, **Paid Up Amount** at any time means the aggregate amount of all Partly Paid Instalments in respect thereof as shall have fallen due and been paid up in full as at that time in accordance with the Terms and Conditions.

Not less than 14 days nor more than 30 days prior to the due date for payment of any Partly Paid Instalment (other than the first such instalment) the Issuer shall publish a notice in accordance with Condition 14 stating the due date for payment thereof and the amount of such Partly Paid Instalment due and stating that failure to pay any such Partly Paid Instalment on or prior to such date will entitle the Issuer to forfeit the Notes with effect from such date (**Forfeiture Date**) as may be specified in such notice (not being less than 14 days after the due date for payment of such Partly Paid Instalment), unless payment of the relevant Partly Paid Instalment together with any amount corresponding to interest accrued thereon is paid prior to the Forfeiture Date. The Issuer shall procure that any Partly Paid Instalments paid in respect of any Notes subsequent to the Forfeiture Date in respect thereof shall be returned promptly to the persons entitled thereto. The Issuer shall not be liable for any interest on any Partly Paid Instalment so returned.

Interest shall accrue on any Partly Paid Instalment which is not paid on or prior to the due date for payment thereof at the Interest Rate (or in the case of non interest-bearing Notes, at the rate applicable to overdue payments) and shall be calculated in the same manner and on the same basis as if it were interest accruing on the Notes for the period from and including the due date for payment of the relevant Partly Paid Instalment up to but excluding the Forfeiture Date. For the purpose of the accrual of interest, any payment of any Partly Paid Instalment made after the due date for payment shall be treated as having been made on the day preceding the Forfeiture Date (whether or not a Business Day as defined in Condition 5.8).

Unless an Event of Default (as defined in Condition 7) (or an event which, with the giving of notice, the lapse of time or the making or giving of any determination or certification would constitute an Event of Default) shall have occurred and be continuing on the Forfeiture Date, the Issuer shall forfeit any Notes in respect of which any Partly Paid Instalment together with any amount corresponding to accrued interest shall not have been duly paid prior to the Forfeiture Date, whereupon the Issuer shall be entitled to retain all Partly Paid Instalments previously paid in respect of such Notes and shall be discharged from any obligation to repay such amount or to pay interest thereon.

Each Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note depending upon the Interest and Redemption/Payment Basis indicated in the Final Terms.

2. TITLE AND TRANSFER

- 2.1 Title to Bearer Notes, Receipts and Coupons passes by delivery. References herein to the "Holders" of Bearer Notes or of Receipts or Coupons are to the bearers of such Bearer Notes or such Receipts or Coupons.
- 2.2 Title to Registered Notes passes by registration in the register (the **Register**) which the Issuer shall procure to be kept by the Registrar. References herein to the "Holders" of Registered Notes are to the persons in whose names such Registered Notes are so registered in the Register. A certificate (each a **Certificate**) will be issued to each such Holder in respect of its registered holding. Each Certificate will be numbered serially with an identifying number which will be recorded in the Register.
- 2.3 The Holder of any Bearer Note, Coupon, Receipt or Registered Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all

purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing on the relevant Note or Certificate, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

Transfer of Registered Notes and Exchange of Bearer Notes for Registered Notes

- 2.4 A Registered Note may, upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement and further subject to the provisions of Conditions 2.8 to 2.10, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the Specified Denomination) upon the surrender of the relevant Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. A new Certificate will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Certificate in respect of the balance not transferred will be issued to the transferor.
- 2.5 If so specified in the Final Terms and subject to the provisions of Conditions 2.8 to 2.10, the Holder of Bearer Notes may exchange the same for the same aggregate nominal amount of Registered Notes upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of the Registrar or of any Transfer Agent together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Receipts, Coupons and Talons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition 2.6) where the exchange date would, but for the provisions of Condition 2.6, occur between the Record Date (as defined in Condition 9B.3) for such payment of interest and the date on which such payment of interest falls due.
- 2.6 A Certificate representing each new Registered Note or Notes to be issued upon the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date, be available for collection by each relevant Holder at the specified office of the Registrar or the Transfer Agent (as the case may be) or, at the option of the Holder requesting such exchange or transfer, be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer or request for exchange received by the Registrar or the Transfer Agent (as the case may be) after the Record Date in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar, or the Transfer Agent (as the case may be) until the day following the due date for such payment. For the purposes of these Terms and Conditions,
- (i) **Relevant Banking Day** means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar or the Transfer Agent is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for exchange is made to the Fiscal Agent, in the place where the specified office of the Fiscal Agent is located;
 - (ii) the **exchange date** shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in accordance with Condition 2.5; and
 - (iii) the **transfer date** shall be the Relevant Banking Day following the day on which the

relevant Registered Note shall have been surrendered for transfer in accordance with Condition 2.4 and all reasonable requirements of the Issuer and the Registrar shall have been satisfied in respect of such transfer.

- 2.7 The issue of new Registered Notes on transfer or on the exchange of Bearer Notes for Registered Notes will be effected without charge by or on behalf of the Issuer, the Fiscal Agent, the Registrar or the Transfer Agent, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer, the Fiscal Agent, the Registrar or the Transfer Agent may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.
- 2.8 Upon the transfer, exchange or replacement of Registered Notes represented by Certificates bearing the Rule 144A legend (the **Rule 144A Legend**) set forth in the form of Certificate scheduled to the Fiscal Agency Agreement, the Registrar or any Transfer Agent shall deliver only Registered Notes represented by Certificates that also bear such legend unless either (i) such transfer, exchange or replacement occurs two or more years after the later of (1) the original issue date of such Notes, (2) the last date on which the Issuer or any affiliates (as defined below) of the Issuer as notified to the Registrar or such Transfer Agent by the Issuer as provided in the following sentence, was the beneficial owner of such Notes (or any predecessor of such Notes), or (3) in the case of Partly Paid Notes, the date as of which such Notes become fully paid, or (ii) there is delivered to the Registrar or such Transfer Agent an opinion reasonably satisfactory to the Issuer of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws. The Issuer covenants and agrees that it will not acquire any beneficial interest, and will cause its "affiliates" (as defined in paragraph (a)(1) of Rule 144 under the Securities Act of 1933, as amended (the **Securities Act**)) not to acquire any beneficial interest, in any Registered Note represented by a Certificate bearing the Rule 144A Legend unless it notifies the Registrar and the Transfer Agents of such acquisition. The Registrar, the Transfer Agents and all Holders shall be entitled to rely without further investigation on any such notification (or lack thereof).
- 2.9 For so long as any of the Registered Notes represented by Certificates bearing the Rule 144A Legend remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer covenants and agrees that it shall, during any period in which it is not subject to Section 13 or 15(d) under the United States Securities Exchange Act of 1934 nor exempt from reporting, pursuant to Rule 12g3-2(b) under such Act, make available to any Holder in connection with any sale thereof and any prospective purchaser of such Notes from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.
- 2.10 No Holder may require the transfer of a Registered Note to be registered or a Bearer Note to be exchanged for a Registered Note during the period of 15 days ending on the due date for the payment of any principal or interest in respect of such Note.

3. STATUS OF THE NOTES

The Notes and the Receipts and Coupons relating to them constitute direct, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of French law that are both mandatory and of general application.

4. NEGATIVE PLEDGE

So long as any of the Notes, Receipts or Coupons remain outstanding (as defined in the Fiscal Agency Agreement) the Issuer undertakes (without, however, thereby affecting the right to dispose of any of its assets) that it will not grant or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest upon the whole or any part of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) or any guarantee of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes (a) are secured equally and rateably therewith or (b) have the benefit of such other security, guarantee or other arrangement.

For the purposes of this Condition 4, **Relevant Debt** means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures or other securities which are for the time being, or are to be, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market.

5. INTEREST

Interest

- 5.1 Notes may be interest-bearing or non interest-bearing, as specified in the Final Terms. Words and expressions appearing in this Condition 5 and not otherwise defined herein or in the Final Terms shall have the meanings given to them in Condition 5.8.

Interest-Bearing Notes

- 5.2 (i) *Interest on Fixed Rate Notes*

Notes which are specified in the Final Terms as being Fixed Rate Notes shall bear interest on their outstanding nominal amount from their Interest Commencement Date at the relevant Rate of Interest payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5.7.

If an applicable Fixed Coupon Amount or a Broken Amount is specified in the Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the Final Terms.

- (ii) *Interest on Floating Rate Notes and Index-Linked Interest Notes*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either specified in the Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are so specified, **Interest Payment Date** shall mean each date which falls the number of months or other period specified in the Final Terms as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. The amount of interest payable shall be determined in

accordance with Condition 5.7.

Floating Rate Notes and Index Linked Interest Notes

5.3 The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the Final Terms.

(i) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i) **ISDA Rate**, for an Interest Accrual Period, means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified in the Final Terms;
- (B) the Designated Maturity is a period specified in the Final Terms; and
- (C) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the Final Terms.

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

(ii) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

The Final Terms shall specify which page (the **Relevant Screen Page**) on the Reuters Screen or on any other information vending service shall be applicable. If such a page is so specified, the Rate of Interest applicable to the relevant Notes for each Interest Accrual Period shall be determined by the Calculation Agent on the following basis:

- (A) The Calculation Agent will determine the offered rate for deposits (or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 being rounded upwards) of the rates for deposits) in the relevant currency for a period of the Specified Duration (as defined below) commencing on the relevant Interest Determination Date on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (B) if, on any Interest Determination Date, no such rate for deposits so appears at the Relevant

Time (or, as the case may be, if fewer than two such rates for deposits so appear) or if the Relevant Screen Page is unavailable, the Calculation Agent will request appropriate quotations and will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the Specified Currency are offered by four major Reference Banks (as defined in Condition 5.8) in the London interbank market or, where the basis for calculating the Floating Rate is EURIBOR, in the Euro-zone interbank market, selected by the Calculation Agent at approximately the Relevant Time on the Interest Determination Date to prime banks in the London interbank market or, where the basis for calculating the Floating Rate is EURIBOR, in the Euro-zone interbank market for a period of the Specified Duration commencing on the relevant Interest Determination Date and in an amount that is representative for a single transaction in the relevant market at the relevant time;

- (C) if, on any Interest Determination Date, only two or three rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates so quoted; or
- (D) if fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates quoted by four major banks selected by the Calculation Agent, in the Relevant Financial Centre (or, in the case of Notes denominated in Euro, in the Euro-zone) at approximately 11.00 a.m. (Relevant Time) on the first day of the relevant Interest Accrual Period for loans in the relevant currency to leading European banks for a period of the Specified Duration of the relevant Interest Accrual Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Interest Rate applicable to such Notes during each Interest Accrual Period will be the sum of the relevant margin (the **Margin**), if any, specified in the Final Terms and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) so determined provided, however, that, if the Calculation Agent is unable to determine a rate (or, as the case may be, an arithmetic mean of rates) in accordance with the above provisions in relation to any Interest Accrual Period, the Interest Rate applicable to such Notes during such Interest Accrual Period will be the sum of the Margin, if any, and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) determined in relation to such Notes in respect of the last preceding Interest Accrual Period.

Maximum or Minimum Rates of Interest

- 5.4 If any Maximum or Minimum Rate of Interest is specified in the Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

Accrual of Interest

- 5.5 (i) Interest shall accrue on the outstanding nominal amount of each Note during each Interest Accrual Period from the Interest Commencement Date. Interest will cease to accrue as from the due date for redemption (or, in the case of an Instalment Note, in respect of each instalment of principal, on the due date for payment of the relevant Instalment Amount) unless, upon due presentation or surrender thereof (if required), payment in full of the Redemption Amount (as defined in Condition 6.9) or the relevant Instalment Amount is improperly withheld or refused or default is otherwise made in the payment thereof in which case interest shall continue to accrue on the nominal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as

before any demand or judgment) at the Rate of Interest then applicable or such other rate as may be specified for this purpose in the Final Terms until the date on which, upon due presentation or surrender of the relevant Note or Certificate (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Certificate is not required as a precondition of payment), the seventh day after the date on which the Fiscal Agent, the Registrar or, as the case may be, the Transfer Agent having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 that the Fiscal Agent, the Registrar or, as the case may be, the Transfer Agent has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

- (ii) The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the Final Terms and interest will accrue by reference to an Index or Formula as specified in the Final Terms.

- (iii) *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 otherwise as specified in the Final Terms.

- (iv) *Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or to a method of calculating the Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the Final Terms.

Interest Amount(s), Calculation Agent and Reference Banks

- 5.6 If a Calculation Agent is specified in the Final Terms, the Calculation Agent, as soon as practicable after the Relevant Time on each Interest Determination Date (or such other time on such date as the Calculation Agent may be required to calculate any Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain any quote or make any determination or calculation) will determine the Rate of Interest and calculate the amount(s) of interest payable (the **Interest Amount(s)**) for the relevant Interest Accrual Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date or, as the case may be, the Redemption Amount or any Instalment Amount, to be notified to the Fiscal Agent, each of the Paying Agents, the Registrar or any Transfer Agent (in the case of Registered Notes), the Issuer, the Holders in accordance with Condition 14 and, if the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange, as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange.

The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements be made by way of adjustment) without notice in the event of an extension or shortening of an Interest Accrual Period or the Interest Period. If the Notes become

due and payable under Condition 7, the Rate of Interest and the accrued interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of each Rate of Interest, Interest Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Issuer and the Holders and neither the Calculation Agent nor any Reference Bank shall have any liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

The Issuer will procure that there shall at all times be such number of Reference Banks as may be required for the purpose of determining the Rate of Interest applicable to the Notes and a Calculation Agent, if provision is made therefore in the Terms and Conditions and for so long as any Note is outstanding.

If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Accrual Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Issuer will inform Holders of such appointment in accordance with Condition 14. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Calculations and Adjustments

- 5.7 The amount of interest payable shall be calculated in respect of any period by applying the Rate of Interest to the Calculation Amount and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure as set out below or otherwise in accordance with applicable market convention. Where the Nominal Amount of a Specified Denomination of a Note is divisible by more than one multiple of a Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each such multiple comprising the Specified Denomination without further rounding.

Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

For the purposes of any calculations referred to in these Terms and Conditions (unless otherwise specified in the Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards, and (e) all Euro amounts will be rounded to the nearest cent, being Euro 0.01, with Euro 0.005 being rounded upwards.

Definitions

- 5.8 **Applicable Business Day Convention** means the **Business Day Convention** which may be

specified in the Final Terms as applicable to any date in respect of the Notes. Where the Final Terms specify "No Adjustment" in relation to any date, such date shall not be adjusted in accordance with any Business Day Convention. Where the Final Terms fails either to specify an applicable Business Day Convention or "No Adjustment" for the purposes of an Interest Payment Date or an Interest Period End Date, then in the case of Notes which bear interest at a fixed rate, "No Adjustment" shall be deemed to have been so specified and in the case of Notes which bear interest at a floating rate, the Modified Following Business Day Convention shall be deemed to have been so specified. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates, Interest Period End Dates and any other date or dates in respect of any Notes.

Banking Day means, in respect of any city, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city.

Business Day means:

- (i) in the case of a currency other than Euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of Euro, a day on which the TARGET 2 system is operating (a **TARGET 2 Business Day**); and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or if no currency is indicated generally in each of the Business Centres.

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day, and the following Business Day Conventions, where specified in the Final Terms in relation to any date applicable to any Notes, shall have the following meanings:

- (i) **Following Business Day Convention** means that such date shall be postponed to the first following day that is a Business Day;
- (ii) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **Preceding Business Day Convention** means that such date shall be brought forward to the first preceding day that is a Business Day; and
- (iv) **Floating Rate Business Day Convention** or **Eurodollar Convention** means that each such date shall be the date which numerically corresponds to the date of issue of the relevant Notes or the preceding such date, as the case may be, in the calendar month which is the number of months specified in the Final Terms after the calendar month in which such date of issue, or preceding such date, occurred, provided that:
 - (a) if there is no such numerically corresponding day in the calendar month in which

any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

- (b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
- (c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all such subsequent dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred.

Calculation Amount means in relation to an issue of Notes where there is only one Specified Denomination, such Specified Denomination and in relation to an issue of Notes where there are several Specified Denominations, the amount specified as such in the Final Terms and representing the highest common amount by which the multiple Specified Denominations may be divided (for example, EUR 1,000 in the case of Specified Denomination of EUR 51,000, EUR 52,000 and EUR 53,000).

Day Count Fraction means, in respect of the calculation of an amount for any period of time (from and including the first day of such period to but excluding the last day of such period) (whether or not constituting an Interest Period or Interest Accrual Period, the **Calculation Period**), such day count fraction as may be specified in the Final Terms and:

- (i) if "Actual/Actual(ISDA)" or "Actual/Actual-ISDA" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "Actual/Actual-ICMA" is so specified, means:
 - (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

Determination Date means the date specified as such in the relevant Final Terms or, if none is so specified, the Interest Payment Date,

and

Determination Period means the period from and including an Interest Determination Date in any year to but excluding the next Interest Determination Date;

- (iii) if "Actual/365 (Fixed)" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "Actual/360" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

- (vi) if "30E/360" or "Eurobond Basis" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

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

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

Euro means the currency introduced at the start of the third stage of Economic and Monetary

Union pursuant to the Treaty.

Euro-zone means the zone comprising the Member States of the European Union that participate or are participating in European Economic and Monetary Union and that adopt or have adopted the Euro as their lawful currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.

Interest Accrual Period means, in respect of an Interest Period, each successive period beginning on and including an Interest Period End Date and ending on but excluding the next succeeding Interest Period End Date during that Interest Period provided always that the first Interest Accrual Period shall commence on and include the Interest Commencement Date and the final Interest Accrual Period shall end on but exclude the date of final maturity.

Interest Amount means:

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

Interest Commencement Date means the date of issue of the Notes (as specified in the Final Terms) or such other date as may be specified as such in the Final Terms.

Interest Determination Date means, in respect of any Interest Accrual Period, the date falling such number (if any) of Banking Days in such city(ies) as may be specified in the Final Terms prior to the first day of such Interest Accrual Period, or if none is specified:

- (i) if the Specified Currency is Pounds Sterling, the first day of such Interest Accrual Period; or
- (ii) if the Specified Currency is Euro, the day falling two TARGET 2 Business Days prior to the first day of such Interest Accrual Period; or
- (iii) if the Specified Currency is neither Pounds Sterling nor Euro, the date falling two London Banking Days prior to the first day of such Interest Accrual Period.

Interest Payment Date means the date or dates specified as such in, or determined in accordance with the provisions of, the Final Terms and, if an Applicable Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention provided that if the Applicable Business Day Convention is the Floating Rate Business Day Convention and an interval of a number of calendar months is specified in the Final Terms as being the Interest Period, each of such dates as may occur in accordance with the Floating Rate Business Day Convention at such specified period of calendar months following the date of issue of the Notes (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

Interest Period means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided always that the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the date of final maturity.

Interest Period End Date means the date or dates specified as such in, or determined in accordance with the provisions of, the Final Terms and, if an Applicable Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or, if the Applicable Business Day Convention is the Floating Rate Business Day Convention and an interval of a number of calendar months is specified in the Final Terms as the Interest Accrual Period, such dates as may occur in accordance with the Floating Rate Business Day Convention at such specified period of calendar months following the Interest Commencement Date (in the case of the first Interest Period End Date) or the previous Interest Period End Date (in any other case) or, if none of the foregoing is specified in the Final Terms, means the date or each of the dates which correspond with the Interest Payment Date(s) in respect of the Notes.

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

outstanding nominal amount means, in respect of a Note, its nominal amount less, in respect of any Instalment Note, any nominal amount on which interest shall have ceased to accrue in accordance with Condition 5.5 or, in the case of a Partly Paid Note, the Paid Up Amount of such Note or otherwise as indicated in the Final Terms except that the Paid Up Amount shall be deemed to be nil for Notes which have been forfeited by the Issuer on or after the Forfeiture Date as provided for in Condition 1.7.

Rate of Interest means the rate of interest payable from time to time in respect of this Note and that is either specified in or calculated in accordance with the provisions of the Final Terms.

Reference Banks means such banks as may be specified in the Final Terms as the Reference Banks or, if so provided, these Terms and Conditions or the Final Terms, as selected by the Calculation Agent or, if none are so specified or if no such selection is provided for, "Reference Banks" has the meaning given in the ISDA Definitions, *mutatis mutandis*.

Relevant Financial Centre means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, such financial centre as may be specified in the Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in case of EURIBOR, shall be the Euro-zone) or, if not so connected, London.

Relevant Time means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the specified currency in the interbank market in the Relevant Financial Centre and for this purpose **local time** means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Central European Time.

Reuters Screen means, when used in connection with a designated page and any designated

information, the display page so designated on the Reuters Markets 3000 (or such other page as may replace that page on that service for the purpose of displaying such information).

Specified Currency means the currency specified as such in the Final Terms or, if none is specified, the currency in which the Notes are denominated.

Specified Duration means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the Final Terms or, if none is so specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to this Condition.

TARGET 2 system means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System or any successor thereto.

Zero Coupon Notes

- 5.9 If any Redemption Amount (as defined in Condition 6.9) or Instalment Amount (as defined in Condition 6.1) in respect of any Note which is non interest-bearing is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Amortisation Yield defined in, or determined in accordance with the provisions of, the Final Terms or at such other rate as may be specified for this purpose in the Final Terms until the date on which, upon due presentation or surrender of the relevant Note or Certificate (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Note or Certificate is not required as a precondition of payment), the seventh day after the date on which, the Fiscal Agent, the Registrar or the Transfer Agent, as the case may be, having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 that the Fiscal Agent or the Registrar and Transfer Agent, as the case may be, has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder). The amount of any such interest shall be calculated in accordance with the provisions of Condition 5.7 as if the Interest Rate was the Amortisation Yield, the outstanding nominal amount was the overdue sum and the Day Count Fraction was as specified for this purpose in the Final Terms or, if not so specified, 30E/360 (as defined in Condition 5.8).

6. REDEMPTION AND PURCHASE

Redemption at Maturity

- 6.1 Unless previously redeemed, or purchased and cancelled, or unless such Note is stated in the Final Terms as having no fixed maturity date, each Note shall be redeemed at its final redemption amount (the **Final Redemption Amount**) (which shall be its outstanding nominal amount or such other redemption amount as may be specified in or determined in accordance with the Final Terms) (or, in the case of Instalment Notes, in such number of instalments and in such amounts (**Instalment Amounts**) as may be specified in, or determined in accordance with the provisions of, the Final Terms) on the date or dates (or, in the case of Notes which bear interest at a floating rate of interest, on the date or dates upon which interest is payable) specified as the Maturity Date (the **Maturity Date**) in the Final Terms.

Early Redemption for Taxation Reasons

- 6.2 The Notes of any Series may be redeemed at the option of the Issuer in whole, but not in part, at any

time, on giving not less than 30 nor more than 60 days' notice (ending, in the case of Notes which bear interest at a floating rate, on an Interest Payment Date) to the Holders of the Notes (which notice shall be irrevocable) at their early tax redemption amount (the **Early Redemption Amount (Tax)**) (which shall be the outstanding nominal amount or, in the case of any Notes which are non interest-bearing, the Amortised Face Amount (as defined in Condition 6.10) or such other Early Redemption Amount (Tax) as may be specified in or determined in accordance with the relevant Final Terms), together with interest accrued (if any) to the date fixed for redemption, if the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8: (i) as a result of any change in, or amendment to, the laws or regulations of the Republic of France or any political subdivision or any authority thereof or therein having power to tax, (ii) in the event the Issuer becomes subject to any other taxing jurisdiction referred to in Condition 8 and/or any change in, or amendment to, the laws or regulations of such taxing jurisdiction or any political sub-division or any authority thereof or therein having power to tax, or (iii) as a result of any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which event, change or amendment becomes effective on or after the date of issue of the Notes of the relevant Series, provided however that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

The Notes of any Series must be redeemed in whole, but not in part, notwithstanding the undertaking to pay additional amounts contained in Condition 8, on giving not less than seven days' prior notice (ending, in the case of Notes which bear interest at a floating rate, on an Interest Payment Date) to the Holders of the Notes (which notice shall be irrevocable) at their early mandatory tax redemption amount (also the **Early Redemption Amount (Tax)**) (which shall be the outstanding nominal amount or, in the case of any Notes which are non interest-bearing, the Amortised Face Amount, or such other Early Redemption Amount (Tax) as may be specified in or determined in accordance with the relevant Final Terms) together with interest accrued to the date fixed for redemption, if the Issuer is, on the next payment of principal or interest in respect of the Notes, prevented by French law and/or the law of any other taxing jurisdiction to which it becomes subject, as the case may be, from making payment to the Holders of the Notes of the full amount then due and payable, provided that the due date for redemption of which notice hereunder shall be given, shall be the latest practicable date on which the Issuer could make payment without withholding for French (and/or, as the case may be, such other taxing jurisdiction) taxes or, if such date is past, as soon as practicable thereafter.

The Issuer may not exercise the option to redeem for taxation reasons referred to above in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.6.

Optional Early Redemption (Issuer Call)

- 6.3 If this Condition 6.3 is specified in the Final Terms as being applicable then the Issuer may, having given the appropriate notice and, subject to such conditions as may be specified in the Final Terms, redeem all (but not, unless and to the extent that the Final Terms specifies otherwise, some only) of the Notes of the relevant Series at their call early redemption amount (the **Early Redemption Amount (Call)**) (which shall be their outstanding nominal amount or, in the case of Notes which are non-interest bearing, their Amortised Face Amount (as defined in Condition 6.10) or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the Final Terms), together with accrued interest (if any) thereon on the date specified in such notice.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.6.

6.4 The appropriate notice referred to in Condition 6.3 is a notice given by the Issuer to the Holders of the Notes of the relevant Series in accordance with Condition 14, which notice shall be irrevocable and shall specify:

- (a) the Series of Notes subject to redemption;
- (b) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate nominal amount of and (except in the case of a Temporary Global Note or Permanent Global Note) the serial numbers of the Notes of the relevant Series which are to be redeemed;
- (c) the due date for such redemption, which shall be not less than 30 days nor more than 60 days after the date on which such notice is given and which shall be such date or the next of such dates (**Call Option Date(s)**) or a day falling within such period (**Call Option Period**), as may be specified in the Final Terms and which is, in the case of Notes which bear interest at a floating rate, a date upon which interest is payable; and
- (d) the Early Redemption Amount (Call) at which such Notes are to be redeemed.

Partial Redemption

6.5 If the Notes of a Series are to be redeemed in part only on any date in accordance with Condition 6.3:

- (a) in the case of Bearer Notes, the Notes to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair in the circumstances; and
- (b) in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) *pro rata* to their nominal amounts, provided always that the amount redeemed in respect of each Note shall be equal to the minimum denomination thereof or an integral multiple thereof,

subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Notes may be listed.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.10 which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

Optional Early Redemption (Investor Put)

6.6 If this Condition 6.6 is specified in the Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Note of the relevant Series, redeem such

Note on the date specified in the relevant Put Notice (as defined below) at its put early redemption amount (the **Early Redemption Amount (Put)**) (which shall be its outstanding nominal amount or, if such Note is a Zero Coupon Note, its Amortised Face Amount (as defined in Condition 6.10) or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the Final Terms), together with accrued interest (if any) thereon to the date fixed for redemption. In order to exercise such option, the Holder must, not less than 45 days before the date on which such redemption is required to be made as specified in the Put Notice (which date shall be such date or the next of the dates (**Put Date(s)**) or a day falling within such period (**Put Period**) as may be specified in the Final Terms), deposit the relevant Note or Certificate representing such Notes (together, in the case of an interest-bearing Definitive Note, with all unmatured Coupons, Receipts and unexchanged Talons appertaining thereto other than any Coupon maturing on or before the date of redemption (failing which the provisions of Condition 9A.6 apply)) during normal business hours at the specified office of, in the case of a Bearer Note, any Paying Agent or, in the case of a Registered Note, the Registrar or any Transfer Agent together with a duly completed early redemption notice (**Put Notice**) in the form which is available from the specified office of any of the Paying Agents, the Registrar or, as the case may be, any Transfer Agent specifying, in the case of a Registered Note, the aggregate nominal amount in respect of which such option is exercised (which must be the minimum denomination specified in the Final Terms or an integral multiple thereof). No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Fiscal Agency Agreement) without the prior consent of the Issuer.

In the case of the redemption of part only of a Registered Note, a new Certificate in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.9 which shall apply as in the case of a transfer of Registered Notes as if such new Certificate were in respect of the untransferred balance.

The holder of a Note may not exercise such option in respect of any Note which is the subject of a prior exercise by the Issuer of its option to redeem such Note under either Condition 6.2 or 6.3.

Purchase of Notes

- 6.7 The Issuer may at any time purchase Notes in the open market or otherwise and at any price provided that, in the case of interest-bearing Definitive Notes, all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are purchased therewith.

Cancellation of Redeemed and Purchased Notes

- 6.8 All unmatured Notes and Coupons and unexchanged Talons redeemed or purchased, otherwise than in the ordinary course of business of dealing in securities or as a nominee in accordance with this Condition 6, will (or, in respect of Notes purchased, may, should French law cease to require their cancellation) be cancelled forthwith and may not be reissued or resold.

Further Provisions Applicable to Redemption Amount and Instalment Amounts

- 6.9 References herein to **Redemption Amount** shall mean, as appropriate, the Final Redemption Amount, the final Instalment Amount, Early Redemption Amount (Tax), Early Redemption Amount (Call), Early Redemption Amount (Put) and Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the Final Terms.

- 6.10 In the case of any Note which is non interest-bearing, the **Amortised Face Amount** shall be an amount equal to the sum of:
- (a) the Issue Price (expressed as a percentage of the nominal amount) specified in the Final Terms; and
 - (b) the product of the Amortisation Yield (compounded annually) being applied to the Issue Price from (and including) the Issue Date specified in the Final Terms to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction (as defined in Condition 5.8) specified in the Final Terms for the purposes of this Condition 6.10.

- 6.11 In the case of any Zero Coupon Note, if any Redemption Amount (other than the Final Redemption Amount) is improperly withheld or refused or default is otherwise made in the payment thereof, the Amortised Face Amount shall be calculated as provided in Condition 6.10 but as if references in subparagraph (b) to the date fixed for redemption or the date upon which such Note becomes due and repayable were replaced by references to the earlier of:
- (a) the date on which, upon due presentation or surrender of the relevant Note or Certificate (if required), the relevant payment is made; and
 - (b) (except where presentation or surrender of the relevant Note or Certificate is not required as a precondition of payment) the seventh day after the date on which the Fiscal Agent or the Registrar, as the case may be, having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 of that circumstance (except to the extent that there is a failure in the subsequent payment thereof to the relevant Holder).

7. EVENTS OF DEFAULT

If any of the following events (**Events of Default**) occurs and is continuing, the Holder of any Note of any Series may upon written notice to the Fiscal Agent declare such Note immediately repayable, whereupon it shall become immediately due and payable at its early termination amount (the **Early Termination Amount**) which shall be the outstanding nominal amount or, in the case of any Zero Coupon Note, the Amortised Face Amount, or such other Early Termination Amount as may be specified in or determined in accordance with the relevant Final Terms together with any accrued interest, unless such Event of Default shall have been remedied before the receipt of such notice by the Fiscal Agent:

- (a) any amount of principal of, or interest on, any Note of the relevant Series is not paid on the due date thereof and such default is not remedied within a period of 15 days from such due date; or
- (b) any other obligation of the Issuer under the Notes of the relevant Series is not complied with or performed within a period of 30 days following written notification of such default given to the Fiscal Agent by the Holder of any Note of the relevant Series; or

- (c) any indebtedness of the Issuer in respect of monies borrowed by the Issuer, other than the Notes of the relevant Series, in excess of Euro 100,000,000 or its equivalent in other currencies, is not paid when due or, as the case may be, following the expiry of any initial or extended grace period, or if any guarantee of such indebtedness of any person given by the Issuer is not honoured when called upon, or if any such indebtedness of, or guaranteed by, the Issuer shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of any event of default thereunder; unless in any such event the Issuer has disputed in good faith that such indebtedness is due or that such guarantee is callable, and such dispute has been submitted to a competent court, in which event such default shall not constitute an Event of Default hereunder so long as such default shall not have been finally adjudicated; or
- (d) the Issuer is dissolved or all or substantially all of its assets are transferred to another entity prior to the repayment in full of the Notes of the relevant Series unless (i) all or substantially all of its assets shall be transferred to and all or substantially all of its debts and liabilities shall be assumed, whether expressly by contract, by operation of applicable law or otherwise, by (A) the French State, another *établissement public, exploitant public or collectivité territoriale* or (B) a French entity which continues to carry on the activities of the Issuer, which is controlled by the French State or by one or more *établissements publics, exploitants publics or collectivités territoriales* or (C) a French company, the creditworthiness of which is not materially less than that of the Issuer immediately prior to such transfer or (ii) in any other case, the obligations and liabilities of the Issuer under the Notes are unconditionally guaranteed by the French State or by an *établissement public, an exploitant public or a collectivité territoriale*.

8. TAXATION

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Republic of France or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Holders of the Notes of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (a) presented for payment by a Holder (or by a third party on behalf of a Holder) which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Republic of France other than the mere holding of such Note or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or
- (c) 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; or
- (d) (except in the case of Registered Notes) 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.

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

In these Terms and Conditions, **Relevant Date** means in respect of any payment, whichever is the later of (a) the date on which the payment in question first becomes due and payable and (b) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the first date on which (the full amount having been so received) notice to that effect has been given to the Holders of the Notes in accordance with Condition 14.

Any reference in these Terms and Conditions to principal or interest in respect of the Notes shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 8. Unless the context otherwise requires, any reference in these Terms and Conditions to "principal" shall include any premium payable in respect of a Note, any Instalment Amount or Redemption Amount and any other amounts in the nature of principal payable pursuant to the Terms and Conditions and "interest" shall include all amounts payable pursuant to Condition 5 and any other amounts in the nature of interest payable pursuant to these Terms and Conditions.

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of France, references in these Terms and Conditions to the Republic of France shall be construed as references to the Republic of France and/or such other jurisdiction.

9. PAYMENTS

9A Payments - Bearer Notes

9A.1 This Condition 9A is applicable in relation to Notes in bearer form.

9A.2 Payment of amounts (other than interest) due in respect of Bearer Notes will be made against presentation and (save in the case of partial payment or payment of an Instalment Amount (other than the final Instalment Amount)) surrender of the relevant Bearer Notes at the specified office of any of the Paying Agents.

Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Note will be made against presentation of the Note together with (where applicable) the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Note to which they relate will not represent any obligation of the Issuer. Accordingly, the presentation of a Note without the relative Receipt or the presentation of a Receipt without the Note to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

- 9A.3 Payment of amounts in respect of interest on Bearer Notes will be made:
- (a) in the case of Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Notes at the specified office of any of the Paying Agents outside (unless Condition 9A.4 applies) the United States; and
 - (b) in the case of Notes delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Notes, in either case at the specified office of any of the Paying Agents outside (unless Condition 9A.4 applies) the United States.
- 9A.4 In respect of Notes denominated in U.S. dollars, payments of amounts due in respect of interest on the Notes and exchanges of Talons for Coupon sheets in accordance with Condition 9A.7 will not be made at the specified office of any Paying Agent in the United States (as defined in the United States Internal Revenue Code and Regulations thereunder) unless (a) payment in full of amounts due in respect of interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (b) such payment or exchange is permitted by applicable United States law without involving, in the opinion of the Issuer, any adverse tax consequences to the Issuer. If paragraphs (a) and (b) of the previous sentence apply, the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.
- 9A.5 If the due date for payment of any amount due in respect of any Note is not a Relevant Financial Centre Day and a Local Banking Day (each as defined in Condition 9C.3), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day, (or as otherwise specified in the Final Terms) and from such day and thereafter will be entitled to receive payment by cheque on any Local Banking Day, and will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such delay or adjustment unless there is a subsequent failure to pay in accordance with these Terms and Conditions, in which event interest shall continue to accrue as provided in Condition 5.6 or, if appropriate, Condition 5.9.
- 9A.6 Each Note initially delivered with Coupons, Talons or Receipts attached thereto should be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Receipts, Coupons and Talons relating thereto, failing which:
- (a) if the Final Terms specify that this paragraph (a) of Condition 9A.6 is applicable (and, in the absence of specification, this paragraph (a) shall apply to Notes which bear interest at a fixed rate or rates or in fixed amounts) and subject as hereinafter provided, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that proportion of the amount of such missing Coupon which the Redemption Amount paid bears to the total Redemption Amount due) (excluding, for this purpose, but without prejudice to paragraph (c) below, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within ten years of the Relevant Date applicable to payment of such Redemption Amount;

- (b) if the Final Terms specify that this paragraph (b) of Condition 9A.6 is applicable (and, in the absence of specification, this paragraph (b) shall apply to Notes which bear interest at a floating rate or rates or in variable amounts), all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (c) below, Talons) relating to such Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them;
- (c) in the case of Notes initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and
- (d) in the case of Notes initially delivered with Receipts attached thereto, all Receipts relating to such Notes in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

The provisions of paragraph (a) of this Condition 9A.6 notwithstanding, if any Notes should be issued with a maturity date and a Rate or Rates of Interest such that, on the presentation for payment of any such Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (a) to be deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (a) in respect of such Coupons as have not so become void, the amount required by paragraph (a) to be deducted would not be greater than the Redemption Amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

- 9A.7 In relation to Notes initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside (unless Condition 9A.4 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

9B Payments - Registered Notes

- 9B.1 This Condition 9B is applicable in relation to Notes in registered form.
- 9B.2 Payment of the Redemption Amount (together with accrued interest) due in respect of Registered Notes will be made against presentation and, save in the case of partial payment of the Redemption Amount, surrender of the relevant Certificate at the specified office of the Registrar or any Transfer Agent. If the due date for payment of the Redemption Amount of any Registered Note is not a Relevant Financial Centre Day and a Local Banking Day (each as defined in Condition 9C.3), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day, and from such day and thereafter will be entitled to receive payment by cheque on any Local Banking

Day, and, will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located, and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions, in which event interest shall continue to accrue as provided in Condition 5.6 or, as appropriate, Condition 5.9.

9B.3 Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Notes will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register as at opening of business (local time in the place of the specified office of the Registrar) on the fifteenth Relevant Banking Day (as defined in Condition 2.6) before the due date for such payment (the **Record Date**).

9B.4 Notwithstanding the provisions of Condition 9C.2, payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Notes will be made in the currency in which such amount is due by cheque and posted to the address (as recorded in the Register) of the Holder thereof (or, in the case of joint Holders, the first-named) on the Relevant Banking Day (as defined in Condition 2.6) not later than the relevant due date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first-named) has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account denominated in the relevant currency in which case payment shall be made on the relevant due date for payment by transfer to such account. In the case of payment by transfer to an account, if the due date for any such payment is not a Relevant Financial Centre Day, then the Holder thereof will not be entitled to payment thereof until the first day thereafter which is a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions, in which event interest shall continue to accrue as provided in Condition 5.6 or, as appropriate, Condition 5.9.

9C Payments - General Provisions

9C.1 Save as otherwise specified in these Terms and Conditions, this Condition 9C is applicable in relation to Notes whether in bearer or registered form.

9C.2 Payments of amounts due (whether principal, interest or otherwise) in respect of Notes will be made in the currency in which such amount is due by cheque drawn or, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the principal financial centre for that currency, or, in the case of Euro, in a city in which banks have access to the TARGET 2 system. Payments will, without prejudice to the provisions of Condition 8, be subject in all cases to any applicable fiscal or other laws and regulations.

9C.3 For the purposes of these Terms and Conditions:

- (a) **Relevant Financial Centre Day** means, in the case of any currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments in the Relevant Financial Centre and in any other Relevant Financial Centre specified in the Final Terms and, in the case of payment in Euro, on which the TARGET 2 system is operating credit or

transfer instructions; and

- (b) **Local Banking Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of presentation of the relevant Note or, as the case may be, Coupon;

and, in the case of paragraphs (a) and (b) of this Condition 9C.3, as the same may be modified in the relevant Final Terms.

9C.4 No commissions or expenses shall be charged to the holders of Notes or Coupons in respect of such payments.

9D Payments - Euro Provisions

Where Redenomination is specified in the Final Terms as being applicable and, notwithstanding the provisions of Condition 13, the Issuer may, without the consent of the Holders of Receipts, Coupons or Talons on giving at least 30 days' prior notice to the Holders of Notes in accordance with Condition 14, designate a Redenomination Date.

With effect from the Redenomination Date:

- (a) each Note and, in the case of a Note bearing interest at a fixed rate (hereafter, a **Fixed Rate Note**) each amount of interest specified in the Coupons shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated into such amount of Euro as is equivalent to its denomination in the relevant currency (as specified in the Final Terms) converted into Euro at the fixed rate for conversion of the relevant currency into Euro established by the Council of the European Union pursuant to Article 109(4) of the Treaty establishing the European Communities, as amended by the Treaty on European Union (the **Treaty**) (including compliance with rules relating to roundings in accordance with European Community regulations);
- (b) all payments in respect of the Notes, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro, as though references in the Notes to the relevant currency were to Euro. Such payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee;
- (c) where Exchangeability is specified in the Final Terms as being applicable, the Issuer may elect that the Notes shall be exchangeable for Notes expressed to be denominated in Euro in accordance with such arrangements as the Issuer may decide, after consultation with the Fiscal Agent, and as may be specified in the notice, including arrangements under which Coupons unmaturing at the date so specified become void and replaced by new Coupons;
- (d) if the Notes are Fixed Rate Notes and interest is required to be calculated for a period of less than one year, it will be calculated on an Actual/Actual — ICMA basis;
- (e) if the Notes are Floating Rate Notes, any applicable changes to the provisions relating to interest will be specified in the Final Terms; and
- (f) such other changes will be made to the Terms and Conditions of the Notes as the Issuer

may decide, after consultation with the Fiscal Agent, to conform such Notes to conventions then applicable to instruments denominated in Euro. Any such other changes will not take effect until they have been notified to the Holders of Notes in accordance with Condition 14.

Neither the Issuer nor any Paying Agent will be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

As used in these Terms and Conditions:

Redenomination Date means a date which:

- (i) in relation to interest-bearing Notes, shall be an Interest Payment Date;
- (ii) is specified by the Issuer in the notice given to the Holders pursuant to this Condition 9D; and
- (iii) falls on or after the date on which the country of the relevant currency participates in the third stage of European economic and monetary union pursuant to the Treaty.

10. PRESCRIPTION

- 10.1 Claims against the Issuer for payment of principal and interest in respect of Notes, Receipts and Coupons will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date (as defined in Condition 8) for payment thereof.
- 10.2 In relation to Definitive Notes initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue pursuant to Condition 9A.6 or the due date for the payment of which would fall after the due date for the redemption of the relevant Note or which would be void pursuant to this Condition 10 or any Talon the maturity date of which would fall after the due date for redemption of the relevant Note.

11. THE FISCAL AGENT, PAYING AGENTS, THE REGISTRAR, THE TRANSFER AGENTS AND THE CALCULATION AGENT

- 11.1 The initial Fiscal Agent, Principal Paying Agent, Registrar, Transfer Agent and Paris Paying Agent and their initial specified offices are specified below. The Calculation Agent in respect of any Notes shall be specified in the Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent), the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents, another Registrar, additional or other Transfer Agents or another Calculation Agent provided that it will at all times maintain (a) a Fiscal Agent, (b) in the case of Registered Notes, a Registrar, (c) a Paying Agent (which may be the Fiscal Agent) (or in the case of Registered Notes, a Transfer Agent) (which may be the Registrar)) with a specified office in a continental European city other than in the jurisdiction of incorporation of the Issuer, (d) so long as the Notes are listed on the Luxembourg Stock Exchange and/or any other stock exchange, a Paying Agent (which may be the Fiscal Agent) and a Registrar or Transfer Agent each with a specified office in Luxembourg and/or in such other place

as may be required by the rules of such other stock exchange, (e) in the circumstances described in Condition 9A.4, a Paying Agent with a specified office in New York City, (f) a Calculation Agent where required by the Terms and Conditions applicable to any Notes (in the case of (a), (b), (c) and (d) with a specified office located in such place (if any) as may be required by the Terms and Conditions) and (g) a Paying Agent with its specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. The Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Fiscal Agent, any Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 14.

- 11.2 The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and, save as provided in the Fiscal Agency Agreement or any other agreement entered into with respect to their appointment, do not assume any obligations towards or relationship of agency or trust for any Holder of any Note, Receipt or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Fiscal Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

12. REPLACEMENT OF BEARER NOTES, CERTIFICATES, RECEIPTS, COUPONS AND TALONS

If any Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent or any Paying Agents (in the case of Bearer Notes, Receipts, Coupons and Talons) or of the Registrar or any Transfer Agent (in the case of Registered Certificates) (each a **Replacement Agent**), subject to all applicable laws and the requirements of any stock exchange on which the Notes are listed, upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require. Mutilated or defaced Bearer Notes, Certificates, Receipts and Coupons or Talons must be surrendered before replacements will be delivered therefor.

13. MEETINGS OF HOLDERS AND MODIFICATION

Meetings of the Holders of Notes of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of these Terms and Conditions and the Deed of Covenant insofar as the same may apply to such Notes, shall be held in accordance with the terms of the Fiscal Agency Agreement. An Extraordinary Resolution passed at any meeting of the Holders of Notes of any Series will be binding on all Holders of the Notes of such Series, whether or not they are present at the meeting, and on all Holders of Coupons relating to Notes of such Series.

The Issuer may convene a meeting at any time, and shall be obliged to do so upon the request in writing of Holders holding not less than one tenth of the outstanding nominal amount of the Notes. Notices of a meeting (given in accordance with Condition 14) shall be of at least 21 days, specifying the date, time and place of the meeting. The notice shall set out, *inter alia*, the full text of any resolutions to be proposed. Extraordinary Resolutions are passed by a majority of not less than

three quarters of the votes cast. Every question submitted to a meeting shall be decided in the first instance by a show of hands, where every voter shall have one vote, unless a poll is demanded by the chairman of the meeting, the Issuer or one or more voters representing or holding not less than one fiftieth of the outstanding nominal amount of the Notes. On a poll, every voter shall have one vote in respect of each integral unit of the Specified Currency of such Series of Notes so produced or represented by the voting certificate so produced or for which it is a proxy or representative. Written resolutions may be passed and shall have the same effect as if passed at a meeting. The quorum at any meeting shall be at least two voters representing or holding not less than a Relevant Fraction of the nominal amount of the Notes.

For the purposes of this Condition 13, **Relevant Fraction** means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter (as defined below), one more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters in each case, of the outstanding nominal amount of the Notes.

However, in the case of a meeting which has resumed after adjournment for want of a quorum, **Relevant Fraction** means: for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the outstanding nominal amount of the Notes represented or held by the voters actually present at the meeting; and for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter.

Reserved Matter means:

- (a) any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to change the quorum required at any meeting or the majority required to pass an Extraordinary Resolution; or
- (e) to amend this definition.

The Issuer may, with the consent of the Fiscal Agent or, in the case of Registered Notes, the Registrar, but without the consent of the Holders of the Notes of any Series or related Coupons, amend these Terms and Conditions and the Deed of Covenant insofar as they may apply to such Notes to correct a manifest error. Subject as aforesaid, no other modification may be made to these Terms and Conditions or to the Deed of Covenant except with the sanction of an Extraordinary Resolution.

14. NOTICES

To Holders of Bearer Notes

- 14.1 Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified herein or in the Final Terms, be deemed to be validly given if: (a) published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*); and (b) in the case of any Notes which are listed on the Luxembourg Stock Exchange (so long as such Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) and/or in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) the Luxembourg Stock Exchange's website (www.bourse.lu) or if such publication is not practicable, if published in a leading English language daily newspaper having general circulation in Europe, in each case published in a timely manner. The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange on which the Notes are listed. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once or on different dates, on the date on which the first publication shall have been made). Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition 14.

To Holders of Registered Notes

- 14.2 Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the Register) at their respective addresses as recorded in the Register, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day. With respect to Registered Notes listed on the Luxembourg Stock Exchange, any notices to Holders must also be published in a leading daily newspaper having general circulation in Luxembourg and, in addition to the foregoing, will be deemed validly given only after the date of such publication, in each case published in a timely manner.

15. FURTHER ISSUES AND CONSOLIDATION

Further Issues

- 15.1 The Issuer may, from time to time without the consent of the Holders of any Notes or Coupons, create and issue further instruments, bonds or debentures having the same terms and conditions as such Notes in all respects (or in all respects except for the issue date, the amount of the first payment of interest, if any, on them and/or the denomination thereof) so as to be consolidated and form a single series with the Notes of any particular Series. For the purposes of French law, such further notes shall be assimilated (*assimilables*) to the Notes as regards their financial service.

Consolidation

- 15.2 The Issuer may also from time to time, without the consent of the Noteholders, consolidate the Notes with one or more issues of other notes or debentures (**Other Notes**) issued by it, whether or not originally issued in the relevant currency in which the Notes are denominated or Euro, provided that such Other Notes have been redenominated into Euro (if not originally denominated in Euro) and otherwise have, in respect of all periods subsequent to such consolidation, the same or

substantially the same terms and conditions as the Notes. The relevant fiscal agency agreement(s) will be amended accordingly. The Fiscal Agent shall act as the consolidation agent (in such capacity, the **Consolidation Agent**).

16. CURRENCY INDEMNITY

The currency in which the Notes are denominated or, if different, payable, as specified in the Final Terms (the **Contractual Currency**), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder of a Note or Coupon in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount in the Contractual Currency expressed to be due to any Holder of a Note or Coupon in respect of such Note or Coupon, the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Note or Coupon and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgment or order. Any such loss as aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of a Note or Coupon and no proof or evidence of any actual loss will be required by the Issuer.

17. WAIVER AND REMEDIES

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- 18.1 The Notes, Certificates, Receipts, Coupons and Talons, the Fiscal Agency Agreement and the Deed of Covenant, and all non-contractual obligations arising from or connected with them, are governed by English law. No person shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term or condition of the Notes.
- 18.2 The Issuer irrevocably agrees for the benefit of the Holders of the Notes, Certificates, Receipts, Coupons and Talons that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 18.3 The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of

England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

- 18.4 The Issuer agrees that the process by which any proceedings in England are begun may be served on it by being delivered to the *Conseiller Financier* from time to time attached to the Embassy of the Republic of France in London whose address, at the date hereof, is 58 Knightsbridge, London SW1X as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. If the appointment of the person mentioned in this Condition 18.4 ceases to be effective, the Issuer shall forthwith appoint a further person in England to accept service of process on its behalf in England and notify the name and address of such person to the Fiscal Agent. Nothing contained herein shall affect the right of any Holder of a Note to serve process in any other manner permitted by law.
- 18.5 The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Holders of the Notes or any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.
- 18.6 The assets and properties of the Issuer cannot be subject to any attachment or other enforcement proceedings in the Republic of France.

Provisions Relating to the Notes whilst in Global Form

(A) Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, an Approved Intermediary or any other clearing system as the holder of a Note represented by a Global Note (which expression includes a Temporary Global Note and a Permanent Global Note) or a Global Note Certificate must look solely to Euroclear, Clearstream, Luxembourg, such Approved Intermediary or such other clearing system (as the case may be) for such person's share of each payment made by the Issuer to the bearer of such Global Note (or the holder of the underlying Registered Notes, as the case may be), and in relation to all other rights arising under the Global Note or the Global Note Certificate subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, Euroclear France or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Note Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note (or the registered holder of the Global Note Certificate, as the case may be), in respect of each amount so paid. References in these provisions relating to the Notes in global form to "holder or accountholder" are to those persons shown in the records of the relevant clearing system or Approved Intermediary as a holder of a Note.

(B) Form and Exchange — Bearer Global Notes

- (1) *TEFRA D or TEFRA C*: The Final Terms shall specify whether U.S. Treasury Regulation § 1.163-5(c)(2)(i)(D) (the **TEFRA D Rules**) or U.S. Treasury Regulation § 1.163-5(c)(2)(i)(C) (the **TEFRA C Rules**) shall apply or whether TEFRA is not applicable. Each Tranche of Bearer Notes is represented upon issue by a temporary global Note (a **Temporary Global Note**), unless the Final Terms specify otherwise and the TEFRA C Rules apply or the transaction is a transaction to which TEFRA is not applicable.

Where the Final Terms applicable to a Tranche of Bearer Notes specifies that the TEFRA C Rules apply or the transaction is a transaction to which TEFRA is not applicable, such Tranche is (unless otherwise specified in the Final Terms) represented upon issue by a Permanent Global Note.

Interests in a Temporary Global Note may be exchanged for:

- (i) interests in a permanent global Note (a **Permanent Global Note**); or
- (ii) if so specified in the Final Terms, definitive Notes in bearer form (**Definitive Notes**) and/or (if so specified in the Final Terms) Registered Notes.

Exchanges of interests in a Temporary Global Note for Definitive Notes or, as the case may be, a Permanent Global Note will be made only on or after the Exchange Date (as specified in the Final Terms) and (unless the Final Terms specify that the TEFRA C Rules are applicable to the Notes or TEFRA is not applicable) provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received. An exchange for Registered Notes will be made at any time or from such date as may be specified in the Final Terms, in each case, without any requirement for certification.

- (2) *Limitation on entitlement under a Temporary Global Note after Exchange Date:* Holders of interests in any Temporary Global Note shall not (unless, upon due presentation of such Temporary Global Note for exchange (in whole but not in part only) for a Permanent Global Note or for delivery of Definitive Notes and/or Registered Notes, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Notes represented by such Temporary Global Note which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.
- (3) *Certification of non-U.S. beneficial ownership:* Unless the Final Terms specify that the TEFRA C Rules are applicable to the Notes or that TEFRA is not applicable and, subject to paragraph (2) above, if any date on which a payment of interest is due on the Notes of a Tranche occurs whilst any of the Notes of that Tranche are represented by a Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by Euroclear or Clearstream, Luxembourg or any other relevant clearing system which may be specified in the Final Terms (including Euroclear France). Payments of amounts due in respect of a Permanent Global Note or (subject to paragraph (2) above) a Temporary Global Note (if the Final Terms specify that the TEFRA C Rules are applicable to the Notes or that TEFRA is not applicable) will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for certification.
- (4) *Exchange for Definitive Notes:* Interests in a Permanent Global Note will be exchanged (subject to the period allowed for delivery as set out in (i) below), in whole but not in part only and at the request of the Holder of such Global Note, for Definitive Notes and/or (if so specified in the Final Terms) Registered Notes (a) if Euroclear or Clearstream, Luxembourg or any other relevant clearing system including Euroclear France is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 7 occurs or (c) at any time on the request of the bearer, if so specified in the Final Terms, and in all cases free of charge to the Holder. Whenever a Permanent Global Note is to be exchanged for Definitive Notes and/or Registered Notes, the Issuer shall procure the prompt delivery of such Definitive Notes and/or Registered Notes, duly authenticated and where, and to the extent applicable, with Receipts and Coupons in respect of Instalment Amounts or interest that have not already been paid on the Permanent Global Note and Talons attached (each as defined in Condition 1.2 and Condition 1.3) in an aggregate nominal amount equal to the nominal amount of such Permanent Global Note to the Holder of the Permanent Global Note against its surrender at the specified office of the Fiscal Agent within (in the case of (a) and (b) above) 30 (and (in the case of (i) below 60) days of the Holder requesting such exchange. Furthermore, if:
- (i) Definitive Notes have not been delivered in accordance with the foregoing by 5.00 p.m. (London time) on the thirtieth (and (in the case of (c) above sixtieth) day after the Holder has requested exchange; or
 - (ii) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the Redemption Amount (as defined in Condition 6.9), together with all accrued interest thereon, has not been made to the Holder in accordance with the Conditions on the due date for payment,

then such Permanent Global Note (including the obligation to deliver Definitive and/or Registered Notes)

will become void at 5.00 p.m. (London time) on such thirtieth (or, as the case may be, sixtieth) day (in the case of (i) above) or at 5.00 p.m. (London time) on such due date (in the case of (ii) above) and the Holder of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which such Holder or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) as being entitled to interests in the Notes will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the Holders of Definitive Notes in an aggregate nominal amount equal to the nominal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg or other relevant clearing system (as the case may be).

(C) Form and Exchange - Global Note Certificates

- (1) *Global Certificate:* Registered Notes held in Euroclear and/or Clearstream, Luxembourg (or other clearing system) will be represented by a Global Note Certificate which will be registered in the name of a nominee for, and deposited with, a depositary for Euroclear and/or Clearstream, Luxembourg (or such other relevant clearing system).
- (2) *Exchange:* The Global Note Certificate will become exchangeable in whole, but not in part, for Individual Note Certificates if: (a) Euroclear or Clearstream, Luxembourg (or other relevant clearing system) is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; (b) any of the circumstances described in Condition 7 occurs; or (c) at any time at the request of the Registered Holder if so specified in the Final Terms.

Whenever the Global Note Certificate is to be exchanged for Individual Note Certificates, such will be issued in an aggregate nominal amount equal to the nominal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered Holder of the Global Note Certificate, to the Registrar or the Transfer Agent (as the case may be) of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the nominal amount of each such person's holding) against the surrender of the Global Note Certificate at the specified office of the Registrar or the Transfer Agent (as the case may be). Such exchange will be effected in accordance with the provisions of the Fiscal Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar or the Transfer Agent (as the case may be) may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If: (a) Individual Note Certificates have not been issued and delivered by 5.00 p.m. (London time) on the thirtieth day after the date on which the same are due to be issued and delivered in accordance with the terms of the Global Note Certificate or (b) any of the Notes evidenced by the Global Note Certificate have become due and payable in accordance with the Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the registered Holder of the Global Note Certificate on the due date for payment in accordance with the terms of the Global Note Certificate, then the Global Note Certificate (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the Holder will have no further rights thereunder (but without prejudice to the rights which the Holder or others may have under the Deed of Covenant). Under the Deed of Covenant,

persons shown in the records of Euroclear and/or Clearstream, Luxembourg (or other relevant clearing system) as being entitled to interests in the Notes will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Note Certificate became void, they had been the registered Holders of Notes in an aggregate nominal amount equal to the nominal amount of Notes they were shown as holding in the records of Euroclear, Clearstream, Luxembourg, or other relevant clearing system (as the case may be).

(D) Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Note Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

- (1) *Meetings:* The Holder of a Global Note or the registered Holder of a Global Note Certificate shall (unless such Global Note or Global Note Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Holders and, at any such meeting, the Holder of a Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Holder's holding, whether or not represented by a Global Certificate).
- (2) *Cancellation:* Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Note.
- (3) *Purchase:* Notes represented by a Global Note may only be purchased by the Issuer if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.
- (4) *Issuer's Option:* Any option of the Issuer provided for in the Conditions of the Notes while such Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Holders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option, and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, Euroclear France or any other clearing system (as the case may be).
- (5) *Holder's Options:* Any option of the Holders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the Holder of the Permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.
- (6) *Notices:* So long as any Notes are represented by a Global Note or Global Note Certificate and

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

(E) Partly Paid Notes

While any Partly Paid Instalments due from the Holder of Partly Paid Notes are overdue no interest in a Global Note or a Global Note Certificate representing such Notes may be exchanged for an interest in a Permanent Global Note or for Definitive Notes or Individual Note Certificates (as the case may be). If any Holder fails to pay any instalment due on any Partly Paid Notes within the time specified the Issuer may forfeit such Notes and shall have no further obligation to such Holder in respect of them.

(F) Redenomination and Consolidation

A Global Note or Global Note Certificate may be amended or replaced by the Issuer (in such manner as it considers necessary) for the purposes of taking account of new additional denominations of the Notes following a redenomination of the Notes pursuant to Condition 9D.

On any consolidation of Notes with the Notes of any other Series, the Issuer may issue one or more replacement Global Notes or Global Note Certificates in exchange for the Global Notes or Global Note Certificates representing the Notes of the Series being consolidated.

Any consolidation may, in such circumstances, require a change in the relevant common depositary.

Form of Final Terms (less than EUR 50,000 (or its equivalent in another currency))

Pro Forma Final Terms for an issue by Réseau Ferré de France under the Euro Medium Term Note Programme with a denomination of less than EUR 50,000 (or its equivalent in another currency).

Final Terms

Final Terms dated []

Réseau Ferré de France

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the Euro 30,000,000,000 Euro Medium Term Note Programme

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 37 of Part A below, provided such person is one of the persons mentioned in Paragraph 37 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].¹

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].²

¹ Consider including this legend where a non-exempt offer of Notes is anticipated.

² Consider including this legend where only an exempt offer of Notes is anticipated.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 June 2010 [and the supplement to the Base Prospectus dated *[date]*] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms relating to the issue of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing [at *[website]*] [and] during normal business hours at *[address]* [and copies may be obtained from *[address]*].

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the [Information Memorandum/Base Prospectus] dated *[original date]*. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated *[current date]* [and the supplement to the Base Prospectus dated *[date]*] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Information Memorandum/Base Prospectus] dated *[original date]* and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Information Memorandum/Base Prospectus] dated *[original date]* and the Base Prospectus dated *[current date]* [as so supplemented]. Copies of such Information Memorandum and such Base Prospectus [and the supplement to the Base Prospectus] are available for viewing [at *[website]*] [and] during normal business hours at *[address]* [and copies may be obtained from *[address]*].]

[THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.]³

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE NOTES OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S [AND WITHIN THE UNITED STATES ONLY

³ Only required if any notes are to be resold pursuant to Rule 144A.

TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**)⁴ AND FOR THE LISTING OF NOTES ON THE LUXEMBOURG STOCK EXCHANGE AND/OR ANY OTHER STOCK EXCHANGE. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.]⁵ FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND DISTRIBUTION OF THESE FINAL TERMS, SEE "*SUBSCRIPTION AND SALE*".

[TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT NOR 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 RSA 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 PERSONS, 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.]⁶

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or 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 Base Prospectus under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1. Issuer: Réseau Ferré de France

2. (i) Series Number: []

(ii) Tranche Number: []

[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]

3. Specified Currency or Currencies: []

⁴ Only required if any notes are to be resold pursuant to Rule 144A.

⁵ Only required if any notes are to be resold pursuant to Rule 144A.

⁶ Only required if any notes are to be resold pursuant to Rule 144A.

Form of Final Terms (less than EUR 50,000 (or its equivalent in another currency))

4. Aggregate Nominal Amount:
- [(i)] Series []
- [(ii)] Tranche: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Denominations: []
- [(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the Euro [1,000] minimum denomination is not required)]*
- (ii) Calculation Amount: []
- [If only one Specified Denomination, insert such Specified Denomination.*
- If more than one Specified Denomination, insert the highest common factor]*
7. [(i)] Issue Date: []
- [(ii)] Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate - specify date or
- Floating Rate - Interest Payment Date falling in or nearest to [specify]
9. Interest Basis: [] per cent. Fixed Rate]
- [[specify reference rate] +/-per cent. Floating Rate]
- [Zero Coupon]
- [Index Linked Interest]
- [Other (specify)]
- (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
- [Index Linked Redemption]
- [Dual Currency Redemption]
- [Partly Paid]

[Instalment]
[Other (specify)]

(N.B. 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 of the Prospectus Directive Regulation will apply)

11. Change of Interest or Redemption/
Payment Basis: [Not Applicable/Specify details of any provision for
convertibility of Notes into another interest or
redemption/payment basis]

12. Put/Call Options: [Not Applicable][Investor Put]
[Issuer Call]
[(further particulars specified below)]

13. (i) Status of the Notes: Unsubordinated

(ii) [Date of [Board] approval for
issuance of Notes obtained: []]

*(N.B. Only relevant where Board (or similar) authorisation is
required for the particular tranche of Notes or related
Guarantee)*

14. Listing and Admission to Trading: [Luxembourg/Paris/Other
(specify)/None]

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

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of
this paragraph)*

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

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

*(N.B. This will need to be amended in the case of long or short
coupons)*

(iii) Fixed Coupon Amount[(s)]: [] per Calculation Amount

Form of Final Terms (less than EUR 50,000 (or its equivalent in another currency))

- (iv) Broken Amount: ☐ per Calculation Amount, payable on the Interest Payment Date falling ☐ [in/on] ☐ (applicable to Notes in definitive form)
- (v) Day Count Fraction: ☐ [30/360/Actual/Actual (ICMA/ISDA)/other]
- (Day count fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in U.S. dollars, unless otherwise agreed)*
- (vi) [Determination Dates: ☐ in each year
- (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. — N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: ☐ [Not Applicable/give details]
17. Floating Rate Note Provisions ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period (s): ☐ []
- (ii) Specified Interest Payment Dates: ☐ []
- (iii) Business Day Convention: ☐ [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (iv) Additional Business Centre(s): ☐ []
- (v) Manner in which the Rate(s) of Interest is/are to be determined: ☐ [Screen Rate Determination/ISDA Determination/ other (give details)]
- (vi) Interest Period End Date(s): ☐ [Not applicable/specify dates]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): ☐ []
- (viii) Screen Rate Determination: ☐ []

Form of Final Terms (less than EUR 50,000 (or its equivalent in another currency))

- Relevant Time: []
- Interest Determination Date(s): [[] [TARGET 2] Business Days in *[specify city]* for *[specify currency]* prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]
- Relevant Screen Page (if primary source is a screen page): []

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- Reference Banks (if primary source is "Reference Banks"): *[Specify four]*
- Relevant Financial Centre: *[The financial centre most closely connected to the Benchmark - specify if not London]*
- Benchmark: *[LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]*
- Specified Duration: *[Specify period for quotation if not duration of Interest Accrual Period]*
- (ix) ISDA Determination:
 - Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (x) Margin(s): *[+/-][] per cent. per annum*
- (xi) Minimum Rate of Interest: *[] per cent. per annum*
- (xii) Maximum Rate of Interest: *[] per cent. per annum*
- (xiii) Day Count Fraction: *[Actual/Actual (ISDA)*
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360

30E/360

30E/360 (ISDA)

Other]

(See Condition 5 for alternatives)

- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:

[]

18. Zero Coupon Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

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

19. Index-Linked Interest Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(N.B. 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.)

- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent: [give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): []
- (iv) Provisions for determining

Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:

[]

[Need to include a description of market description or settlement description events and adjustment provisions]

(v) Interest Period (s): []

(vi) Specified Interest Payment Dates: []

(vii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

(viii) Additional Business Centre(s): []

(xi) Minimum Rate of Interest: [] per cent. per annum

(x) Maximum Rate of Interest: [] per cent. per annum

(xi) Day Count Fraction: []

20. Dual Currency Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(N.B. 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.)

(i) Rate of Exchange/ method of calculating Rate of Exchange: [give details]

(ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): []

(iii) Provision for principal and/or interest due is applicable where calculation by reference to Rate of Exchange impossible or impracticable: []

[Need to include a description of market description or settlement description events and adjustment provisions]

(iv) Person at whose option Specified Currency(ies) is/are payable: []

(v) Day Count Fraction: []

PROVISIONS RELATING TO REDEMPTION

21. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

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

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]

(iii) If redeemable in part:

(a) Minimum nominal amount to be redeemed []

(b) Maximum nominal amount to be redeemed []

(iv) Option Exercise Date(s): []

(v) Description of any other Issuer's option: []

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

(N.B. 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 Agent)

22. Put Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

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

- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): ☐ per Calculation Amount/specify other/see Appendix]
- (iii) Description of any other Noteholder's option: ☐
- (iv) Option Exercise Date(s): ☐
- (v) Notice period: ☐

23. Final Redemption Amount of each Note ☐ per Calculation Amount /other/see Appendix]

(N.B. 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.)

24. Early Redemption Amount

- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): ☐ per Calculation Amount /other/see Appendix]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates: ☐ [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only): ☐ [Yes/No The provisions in the paragraph immediately following Condition 9A.6(d) apply/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. (a) Form of Notes: ☐ [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]
[Delete as appropriate]
- (i) Temporary or Permanent Global Note/Certificate: ☐ [Temporary Global Note/Certificate exchangeable for a Permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificate on ☐ days' notice/at any time/in

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- the limited circumstances specified in the Permanent Global Note/Certificate]
- [Temporary Global Note/Certificate exchangeable for Definitive Notes/Certificate on [] days' notice/at any time.]
- [Permanent Global Note/Certificate exchangeable for Definitive Notes/Certificate on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note/Certificate]
- (ii) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]
- (b) New Global Note: [Yes][No]
26. Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not Interest Period end dates, to which sub-paragraphs 17(iv) and 19(vii) relate]
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
28. 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 (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
29. Details relating to Instalment Notes: [Not Applicable/give details]
- (i) Instalment Amount(s): []
- (ii) Instalment Date(s): []
- (iii) Minimum Instalment Amount: []
- (iv) Maximum Instalment Amount: []
30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 9D] [annexed to these Final Terms] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition 15.2] [annexed to these Final Terms] apply]

32. Other final terms [or special conditions]:

[Not Applicable/give details]

[(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 Base Prospectus pursuant to Article 16 of the Prospectus Directive)]

(Consider including a term providing for tax certification if required to enable interest to be paid gross by issuers.)

DISTRIBUTION

33. (i) If syndicated, names and addresses of Managers and underwriting commitments:

[Not Applicable/give names and addresses and underwriting commitments]

(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 or on a "best efforts" basis if such entities are not the same as the Managers)

(ii) Date of [Subscription] Agreement:

[]

(iii) Stabilising Manager(s) (if any):

[Not Applicable/give name]

34. If non-syndicated, name and address of relevant Dealer:

[Not Applicable/give name and address]

35. Total commission and concession:

[] per cent. of the Aggregate Nominal Amount

36. Additional selling restrictions:

[Not Applicable/give details]

37. Non-exempt offer:

[Not Applicable] [An offer of the Notes may be made by the Dealers [and [specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Dealers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]] (together with the Dealers, the Financial Intermediaries) other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)] (**Public Offer Jurisdictions**) during the period from [specify date] until [specify date or a formula

such as "the Issue Date" or "the date which falls [●] Business Days thereafter"] (**Offer Period**). See further Paragraph 11 of Part B below.

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market] of the Notes described herein] pursuant to the Euro 30,000,000,000 Euro Medium Term Note Programme of Réseau Ferré de France.

[LISTING APPLICATION AND ADMISSION TO TRADING

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 30,000,000,000 Euro Medium Term Note Programme of Réseau Ferré de France.]

SIGNIFICANT CHANGE AND MATERIAL ADVERSE CHANGE STATEMENT

[Except as disclosed in this document, there/There]⁷ has been no significant change in the financial or trading position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of [name of the Issuer]:

By

----- Duly authorised

⁷ If any change is disclosed in the Final Terms, consideration should be given as to whether or not such disclosure should be made by means of a supplement to the Base Prospectus rather than in the Final Terms.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange/other (specify)/None]
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange [specify relevant regulated market] with effect from []. [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]

2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[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. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], 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]

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

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

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

*(See "Use of Proceeds" wording in Base 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 proceeds are intended for more than one use it will need to be split out and presented in order of priority. If proceeds insufficient to fund all proposed uses, state amount and sources of other funding)***

[(iii)] Estimated total expenses: []. *[Include breakdown of expenses]***

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above)

5. YIELD *(Fixed Rate Notes only)*

Indication of yield: [] per cent. per annum

[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.

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

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

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

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, 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.]

(N.B. The requirements below only apply if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

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

[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.]

[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

[(When completing the above paragraphs, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]

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

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, 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.]

(N.B. The requirement below only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

9. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

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

[Not Applicable/give name(s) and number(s)]

(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 this text if "yes" selected, in which case the Notes must be issued in NGN form.]*

10. TERMS AND CONDITIONS OF THE OFFER

Offer Price: [Issue Price/Not applicable/specify]

[Conditions to which the offer is subject:] [Not applicable/give details]

[Description of the application process:] [Not applicable/give details]

[Details of the minimum and/or maximum amount of application:] [Not applicable/give details]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:] [Not applicable/give details]

[Details of the method and time limits for paying up and delivering the Notes:] [Not applicable/give details]

[Manner in and date on which results of the offer are to be made public:] [Not applicable/give details]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not applicable/give details]

[Categories of potential investors to which the [Not applicable/give details]

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Notes are offered and whether tranche(s) have been reserved for certain countries:]

[Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not applicable/*give details*]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/*give details*]

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:] [None/*give details*]

Form of Final Terms (less than EUR 50,000 (or its equivalent in another currency))

PART C – FURTHER PROVISIONS RELATING TO THE UNDERLYING

*[if applicable insert further provisions on underlying
such as market disruption or settlement disruption events that affect the underlying
or adjustment rules with relation to events concerning the underlying]
[If not applicable delete this page]*

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

Pro Forma Final Terms for an issue by Réseau Ferré de France under the Euro Medium Term Note Programme with a denomination of at least EUR 50,000 (or its equivalent in another currency).

Final Terms

Final Terms dated []

Réseau Ferré de France

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the Euro 30,000,000,000 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 in the Base Prospectus dated 10 June 2010 [and the supplement to the Base Prospectus dated *[date]*] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms relating to the issue of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing [at *[website]*] [and] during normal business hours at *[address]* [and copies may be obtained from *[address]*].

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the [Information Memorandum/Base Prospectus] dated *[original date]*. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated *[current date]* [and the supplement to the Base Prospectus dated *[date]*] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Information Memorandum/Base Prospectus] dated *[original date]* and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Information Memorandum/Base Prospectus] dated *[original date]* and the Base Prospectus dated *[current date]* [as so supplemented]. Copies of such Information Memorandum and such Base Prospectus [and the supplement to the Base Prospectus] are available for viewing [at *[website]*] [and] during normal business hours at *[address]* [and copies may be obtained from *[address]*].]

[THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.]⁸

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE NOTES OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S [AND WITHIN THE UNITED STATES ONLY

⁸ Only required if any notes are to be resold pursuant to Rule 144A.

TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**)⁹ AND FOR THE LISTING OF NOTES ON THE LUXEMBOURG STOCK EXCHANGE AND/OR ANY OTHER STOCK EXCHANGE. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.]¹⁰ FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND DISTRIBUTION OF THESE FINAL TERMS, SEE "*SUBSCRIPTION AND SALE*".

[TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT NOR 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 RSA 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 PERSONS, 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.]¹¹

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or 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 Base Prospectus under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1. Issuer: Réseau Ferré de France

2. (i) Series Number: []

(ii) Tranche Number: []

[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]

3. Specified Currency or Currencies: []

⁹ Only required if any notes are to be resold pursuant to Rule 144A.

¹⁰ Only required if any notes are to be resold pursuant to Rule 144A.

¹¹ Only required if any notes are to be resold pursuant to Rule 144A.

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

4. Aggregate Nominal Amount:

[(i)] Series []

[(ii)] Tranche: []

5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (in the case of fungible issues only, if applicable)]

6. (i) Specified Denominations: []

(Note – In the case of bearer notes, where multiple denominations above [€50,000] or equivalent 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 above [€99,000].")

[(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the Euro [50,000] minimum denomination is not required)]⁽¹⁾

(ii) Calculation Amount: []

[If only one Specified Denomination, insert such Specified Denomination.

If more than one Specified Denomination, insert the highest common factor]

7. [(i)] Issue Date: []

[(ii)] Interest Commencement Date: [specify/Issue Date/Not Applicable]

(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)

8. Maturity Date: [Fixed rate - specify date or

Floating Rate - Interest Payment Date falling in or nearest to [specify]

9. Interest Basis: [] per cent. Fixed Rate]
[[specify reference rate] +/-per cent. Floating Rate]
[Zero Coupon]
[Index Linked Interest]

[Other (specify)]

(further particulars specified below)

10. Redemption/Payment Basis:

[Redemption at par]
[Index Linked Redemption]
[Dual Currency Redemption]
[Partly Paid]
[Instalment]
[Other (specify)]

(N.B. 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 of the Prospectus Directive Regulation will apply)

11. Change of Interest or Redemption/
Payment Basis:

[Not Applicable/Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]

12. Put/Call Options:

[Not Applicable][Investor Put]
[Issuer Call]
[(further particulars specified below)]

13. (i) Status of the Notes:

Unsubordinated

(ii) [Date [Board] approval for
issuance of Notes obtained:

[]

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)

14. Listing and Admission to Trading:

[Luxembourg/Paris/Other
(specify)/None]

15. Method of distribution:

[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate[(s)] of Interest:

[] per cent. per annum [payable
[annually/semi-annually/quarterly/monthly/other (specify)]]
in arrear]

(ii) Interest Payment Date(s):

[[] in each year up to and including the Maturity
Date]/[specify other]

(N.B. This will need to be amended in the case of long or short

coupons)

- (iii) Fixed Coupon Amount[(s)]: [] per Calculation Amount
- (iv) Broken Amount: [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] (applicable to Notes in definitive form)
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]
(Day count fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in U.S. dollars, unless otherwise agreed)
- (vi) [Determination Dates: [] in each year
(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. — N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- 17. Floating Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Interest Period (s): []
 - (ii) Specified Interest Payment Dates: []
 - (iii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
 - (iv) Additional Business Centre(s): []
 - (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/ other (give details)]
 - (vi) Interest Period End Date(s): [Not applicable/specify dates]
 - (vii) Party responsible for calculating

the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):

[]

(viii) Screen Rate Determination:

- Relevant Time: []

- Interest Determination Date(s): [[] [TARGET 2] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]

- Relevant Screen Page (if primary source is a screen page): []

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

- Reference Banks (if primary source is "Reference Banks"): [Specify four]

- Relevant Financial Centre: [The financial centre most closely connected to the Benchmark - specify if not London]

- Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]

- Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period]

(ix) ISDA Determination:

- Floating Rate Option: []

- Designated Maturity: []

- Reset Date: []

(x) Margin(s): [+/-][] per cent. per annum

(xi) Minimum Rate of Interest: [] per cent. per annum

(xii) Maximum Rate of Interest: [] per cent. per annum

(xiii) Day Count Fraction: [Actual/Actual (ISDA)

Actual/365 (Fixed)

Actual/365 (Sterling)

Actual/360

30/360

30E/360

30E/360 (ISDA)

Other]

(See Condition 5 for alternatives)

- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:

[]

18. Zero Coupon Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

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

19. Index-Linked Interest Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(N.B. 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.)

- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent: [give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating

the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent):

[]

- (iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:

[]

[Need to include a description of market description or settlement description events and adjustment provisions]

- (v) Interest Period (s):

[]

- (vi) Specified Interest Payment Dates:

[]

- (vii) Business Day Convention:

[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

- (viii) Additional Business Centre(s):

[]

- (xi) Minimum Rate of Interest:

[] per cent. per annum

- (x) Maximum Rate of Interest:

[] per cent. per annum

- (xi) Day Count Fraction:

[]

20. Dual Currency Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(N.B. 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.)

- (i) Rate of Exchange/ method of calculating Rate of Exchange:

[give details]

- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent):

[]

- (iii) Provision for principal and/or interest due is applicable where calculation by reference to Rate

of Exchange impossible or
impracticable: []

*[Need to include a description of market description or
settlement description events and adjustment provisions]*

(iv) Person at whose option
Specified Currency(ies) is/are
payable: []

(v) Day Count Fraction: []

PROVISIONS RELATING TO REDEMPTION

21. Call Option [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of
this paragraph)*

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

(ii) Optional Redemption
Amount(s) and method, if any,
of calculation of such
amount(s): [[] per Calculation Amount/specify other/see Appendix]

(iii) If redeemable in part:

(a) Minimum nominal
amount to be redeemed []

(b) Maximum nominal
amount to be redeemed []

(iv) Option Exercise Date(s): []

(v) Description of any other Issuer's
option: []

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

*(N.B. 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 Agent)*

22. Put Option [Applicable/Not Applicable]

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (iii) Description of any other Noteholder's option: []
- (iv) Option Exercise Date(s): []
- (v) Notice period: []

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

(N.B. 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.)

24. Early Redemption Amount

- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [[] per Calculation Amount /other/see Appendix]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates:
[Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only):

[Yes/No The provisions in the paragraph immediately following Condition 9A.6(d) apply/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. (a) Form of Notes: [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]
[Delete as appropriate]

- (i) Temporary or
Permanent Global
Note/Certificate:

[Temporary Global Note/Certificate exchangeable for a Permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificate on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note/Certificate]

[Temporary Global Note/Certificate exchangeable for Definitive Notes/Certificate on [] days' notice/at any time.]

[Permanent Global Note/Certificate exchangeable for Definitive Notes/Certificate on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note/Certificate]

(N.B. In the case of bearer notes, 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]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes)

- (ii) Applicable TEFRA
exemption:

[C Rules/D Rules/Not Applicable]

- (b) New Global Note:

[Yes][No]

26. Financial Centre(s) or other special provisions relating to payment dates:

[Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not Interest Period end dates, to which sub-paragraphs 17(iv) and 19(vii) relate]

27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. If yes, give details]

28. 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 (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:

[Not Applicable/give details N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

29. Details relating to Instalment Notes: [Not Applicable/give details]
- (i) Instalment Amount(s): []
- (ii) Instalment Date(s): []
- (iii) Minimum Instalment Amount: []
- (iv) Maximum Instalment Amount: []
30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 9D] [annexed to these Final Terms] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition 15.2] [annexed to these Final Terms] apply]
32. Other final terms [or special conditions]⁽⁴⁾: [Not Applicable/give details]
- [(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 Base Prospectus pursuant to Article 16 of the Prospectus Directive)]*
- (Consider including a term providing for tax certification if required to enable interest to be paid gross by issuers.)*

DISTRIBUTION

33. (i) If syndicated, names of Managers: [Not Applicable/give names]
- (If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)*
- (ii) Date of [Subscription]

⁽⁴⁾ If full terms and conditions are to be used, please add the following here:

"The full text of the Conditions which apply to the Notes and which will be endorsed on the Notes in definitive form (if any) are set out in the Annex hereto, which Conditions replace in their entirety those appearing in the Base Prospectus for the purposes of these Notes, and such Conditions will prevail over any other provision to the contrary." The first set of bracketed words in item 25(a) is to be deleted where there is a permanent global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the Final Terms.

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

Agreement: []

(The above is only relevant if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies).

(iii) Stabilising Manager(s) (if any): [Not Applicable/give name]

34. If non-syndicated, name of relevant Dealer: [Not Applicable/give name]

35. Additional selling restrictions: [Not Applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [admission to trading on [*specify relevant regulated market*]] of the Notes described herein] pursuant to the Euro 30,000,000,000 Euro Medium Term Note Programme of Réseau Ferré de France.

[LISTING APPLICATION AND ADMISSION TO TRADING]

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 30,000,000,000 Euro Medium Term Note Programme of Réseau Ferré de France.]

SIGNIFICANT CHANGE AND MATERIAL ADVERSE CHANGE STATEMENT

[Except as disclosed in this document, there/There]⁽⁵⁾ has been no significant change in the financial or trading position of the Issuer since [*insert date of last audited accounts or interim accounts (if later)*] and no material adverse change in the financial position or prospects of the Issuer since [*insert date of last published annual accounts*].]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[*Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components*]] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of [name of the Issuer]:

By

----- Duly authorised

⁽⁵⁾ If any change is disclosed in the Final Terms, consideration should be given as to whether or not such disclosure should be made by means of a supplement to the Base Prospectus rather than in the Final Terms.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange/other (specify)/None]
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange [specify relevant regulated market] with effect from []. [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]
- (iii) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], 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]

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

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

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

[(ii)] Estimated net proceeds: []

[(iii)] Estimated total expenses: []

(Delete unless the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, in which case it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above)

5. YIELD (Fixed Rate Notes only)

Indication of yield: []

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

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

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

[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.]

[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

[(When completing the above paragraphs, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]

(N.B. This paragraph 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

7. PERFORMANCE OF RATE[S] OF EXCHANGE *(Dual Currency Notes only)*

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

9. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (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 this text if "yes" selected, in which case the Notes must be issued in NGN form.]*

Form of Final Terms (at least EUR 50,000 (or its equivalent in another currency))

PART C – FURTHER PROVISIONS RELATING TO THE UNDERLYING

*[if applicable insert further provisions on underlying
such as market disruption or settlement disruption events that affect the underlying
or adjustment rules with relation to events concerning the underlying]
[If not applicable delete this page]*

Use of Proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer to finance its general activities. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

Description of Réseau Ferré de France

1 THE REFORM OF RAIL TRANSPORT IN FRANCE

On 11 and 25 June 1996, the French Government presented a reform proposal to the French Parliament. The main purpose of the reform was to implement the provisions of European Directive no. 91-440 in order to clarify the respective responsibilities and accounts of companies operating railway services and those which own and are responsible for the maintenance and management of railway infrastructure in France. The reform was implemented by the Reform Act which was published on 15 February 1997 in the *Journal Officiel*. The Reform Act had retroactive effect as from 1 January 1997, from which date the rail operating company has been Société Nationale des Chemins de fer Français (SNCF), and Réseau Ferré de France (RFF) has been the owner and regulatory agency of the rail infrastructure.

The Reform Act and the Decrees established RFF as an independent entity to own the French railway infrastructure, previously owned by SNCF. The railway reform has therefore separated ownership of the rail infrastructure (devolved to RFF) from its operation (devolved to SNCF). However, SNCF is responsible for managing and maintaining the infrastructure on behalf of RFF. The services to be provided by SNCF and the related fee arrangements are specified in an agreement between SNCF and RFF, which is renewed on an annual basis.

The fixed assets relating to railway infrastructure existing as at 1 January 1997 were transferred to RFF with effect from 1 January 1997. The infrastructure assets transferred were detailed in Decree no.97-445 of 5 May 1997 and principally included land and buildings, tracks, civil engineering structures and signalling, electrification and telecommunications equipment. From 1 January 1997, €20.5 billion worth of debt was transferred to RFF's opening balance sheet from SNCF, corresponding to the portion of debt contracted by SNCF as at that date, relating to infrastructure financing operations. Therefore €20.5 billion of a total debt of €30.3 billion at 31 December 1996 (including on and off-balance sheet items, after currency swaps) will be repaid by RFF, although SNCF remains the legal debtor in relation to its creditors. RFF has undertaken to pay SNCF instalment payments corresponding to its percentage of the total amount due on each relevant date, in accordance with SNCF's loan repayment schedule.

2 RÉSEAU FERRÉ DE FRANCE: LEGAL STATUS, CORPORATE PURPOSE AND ACTIVITIES

2.1 Legal status of Réseau Ferré de France

RFF is a State-owned entity (*Etablissement public industriel et commercial - EPIC*). It was established with retroactive effect from 1 January 1997 by Act no. 97-135 of 13 February 1997 (the **Reform Act**) for the purpose of reorganising French rail transport. The principal purpose of the Reform Act was to create RFF in order to own and take responsibility for the French railway infrastructure on behalf of the French State and, in particular, to finance current and future infrastructure investments. The public land owned by RFF is indefeasible, may not be sold and cannot be subject to attachment.

RFF is registered with the Paris Companies Registry under no. 412 280 737

Article 3 of the Reform Act stipulates that RFF is subject to the rules applicable to industrial and commercial entities with respect to its finances and accounts. RFF's financial statements are prepared in accordance with French generally accepted accounting principles (*Plan Comptable Général*) and are audited by independent external auditors.

However, as for all State-owned companies having an industrial and commercial activity (*établissements publics industriels et commerciaux (EPICs)*), RFF is subject to the provisions of the law of 16 July 1980 (the **1980 Law**) on penalties handed down under administrative law and the enforcement of judgements on legal entities governed by public law. Article 1, paragraph 2 of the Law provides that where a court orders a public entity to pay a sum of money, such sum must be authorised or paid by money order within two months of the public authority being notified of the court's decision. Where applicable, the competent public authorities source the necessary funds.

Moreover, court-ordered reorganisation and liquidation proceedings do not apply to EPICs. Article L.631-2 and L.640-2 of the French Commercial (*Code du Commerce*) relating to court-ordered reorganisation and liquidation of businesses provides that court-ordered reorganisation may be imposed on any tradesperson, artisan or legal entity governed by private law but excludes all State-owned entities (governed by public law) from the Act's scope of application. France's Supreme Court (*Cour de Cassation*) has confirmed that the 1985 Act does not apply to entities governed by public law. As RFF was created by law, it may only be dissolved by an amending law transferring its rights and obligations to another public entity.

2.2 Corporate purpose of Réseau Ferré de France

RFF's corporate purpose, as specified in Article 1 of Act no. 97-135 of 13 February 1997, is to promote French rail transport within a sustainable development framework, by regenerating and enhancing the national rail infrastructure and ensuring its consistency, in accordance with public service principles.

Given safety requirements and the need for uninterrupted public service, SNCF manages rail traffic and the operation and maintenance of technical and safety equipment on behalf of RFF and in line with RFF's management principles and objectives. SNCF is paid by RFF for these services.

Decree no. 97 - 444 of 5 May 1997 sets out the methods and procedures to be adopted by RFF in performing its activities and when acting as prime contractor for investments in the national rail network (Article 3).

It also stipulates that:

- each year, RFF shall submit an investment plan to the French government, with details as to how this plan is to be financed (Article 4);
- RFF shall act as prime contractor or shall delegate authority to SNCF for certain activities (Article 6). In order to ensure the safety of persons, SNCF shall be responsible for operating the network on behalf of RFF;
- RFF shall define the management principles and objectives relating to the operation and maintenance of technical and safety equipment for the French national rail network. RFF shall also define the principles and objectives for managing the network's rail traffic (Articles 7 and 11);
- RFF shall provide SNCF with the necessary facilities and equipment to carry out the above tasks (Article 12);
- SNCF shall use the French rail network to provide rail transport services (Article 13);

- RFF shall be responsible for managing the assets transferred to it as outright owner (Article 17).

In addition, under Decree no. 2003-194 of 7 March 2003 as amended by Decree no.2006-1534 of 6 November 2006 in particular, RFF is responsible for allocating national rail network infrastructure capacity and for ensuring that all train operators that comply with regulatory requirements have equal access to the national rail network.

2.3 Agreements and main public procurement contracts

RFF is the sole beneficiary owner of the French rail infrastructure and has sole responsibility for the management and development thereof. These tasks determine the public procurement contracts entered into by RFF. RFF does not enter into any agreement that does not fall within the scope of its purpose.

2.4 Activities of Réseau Ferré de France

The main RFF activities are as follows:

2.4.1 *Traffic management*

It is RFF's job to facilitate access to the network and to find the optimum balance between :

- path profitability;
- meeting the transport demand for each line (major lines, regional lines, freight); and
- arranging timetable windows for maintenance.

2.4.2 *Increasing the attractiveness of the network*

RFF is in charge of steering projects to operate and maintain the lines and equipment, as part of a multi-year agreement. RFF establishes targets and management procedures by taking into account the need to avoid disruption to rail traffic, whilst at the same time endeavouring to manage costs.

2.4.3 *Sustainable funding*

RFF provides full funding for the programmes to renew its installation. Development projects are suitable financial backing used with the goal of balancing the accounts.

2.4.4 *Developing new railway lines*

The plans to develop the network, from modernisation to laying new lines, are born from:

- a desire to bring transport links to more areas;
- an appreciation of economic requirements; and
- a philosophy of sustainable development for everyone.

2.4.5 Optimising property assets

When it was created in 1997, RFF received a significant amount of real estate. This asset comprises all of the railway infrastructure as well as property that is not needed for operating the transport services.

3 CAPITAL AND EXTERNAL CONTROLS

3.1 Capital

As a State-owned company, RFF does not have any share capital in the legal sense of the term. RFF's capital at its date of incorporation amounted to €0.86 billion, corresponding to the difference in value between its assets and liabilities. From its incorporation until 2002, this amount was supplemented by yearly capital injections by the French State. At 31 December 2009, the cumulative amount of capital injections amounted to €9,764.7 million.

At 31 December 2009, total equity amounted to €10,001.3 million, including the net income for the fiscal year 2009 and net investment grants.

RFF has no shares and pays no dividends.

3.2 External structures responsible for assessment

3.2.1 Governmental organ control

As a State-owned company, RFF is subject to the economic, financial and technical control of the French State. Administrative and technical control is carried out by the Transport Ministry, while economic and financial control is carried out by the French Economic and Control Department (*Mission de contrôle économique et financier*) (**MCEFT**) on behalf of the Economy and Budget Ministers.

The Government Commissioner ensures that RFF's general strategy as defined by the Board of Directors is in accordance with RFF's corporate purpose and comments as he sees fit on the conformity of the Board's deliberations with the general strategies decided by the public authorities.

This position is occupied in RFF by the Transport Infrastructure Director.

MCEFT provides information and advice to RFF and its subsidiaries, and performs a control function in economic and financial areas.

A MCEFT controller is permanently present in RFF's head office premises. The French National Audit Office (*Cour des Comptes*) reviews RFF's accounts and management in accordance with the provisions of Articles L.111-4 and L.133-1 of the Financial Jurisdiction Code (*Code des juridictions financières*).

RFF is also subject to investigation by the *Inspection Générale des Finances* (audit body of the French Finance Ministry).

Moreover, RFF is subject to controls of an operational nature carried out by the French railway Safety Authority, EPSF, created by Act no.2006-10 of 5 January 2006 on the safety and development of transport.

The RFF does not have a public accountant but is rather subject to control by the French State (see below). Its financial statements are certified by statutory auditors.

The nature of RFF's financial ties with the French State is varied. It includes:

- holdings in the form of contributions in kind or subsidies;
- annual subsidies by the French State for the use of infrastructure by regional passenger trains, national passenger trains and freight trains;
- monitoring and control of terms by which the Treasury could have to make any decision constraining RFF; and
- in accordance with the 1980 Law, if there is an insufficiency of funds, and if a public corporation is unable to release or to generate new resources, the monitoring authority could and should intervene.

3.2.2 The Statutory Auditors

The mandate of Salustro Reydel, a member of KPMG International and PricewaterhouseCoopers Audit for the fiscal years 1997 to 2002, renewed for the fiscal years 2003 to 2008, expired during the Board of Directors' meeting which validated the 2008 financial statements.

Based on the conclusions drawn up by the Audit Committee following the renewal procedure (procedure negotiated after tendering), the Board of Directors approved on 9 April 2009 the proposal made to the Minister of the Economy, Finance and Industry to appoint Mazars and PricewaterhouseCoopers Audit, as the principal statutory auditors of RFF for the fiscal years 2009 to 2014.

Pursuant to the provisions of Article 30 of Act no. 84-148 of 1 March 1984, their appointment was subject to a decision of the French Treasury and Economic Policy General Directorate of 4 June 2009 following the approval of the French Financial Markets Authority (the *Autorité des Marchés Financiers*).

4 PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION.

Pursuant to Article 3 of Act no. 97-135 of 13 February 1997 creating RFF with a view to reforming rail transport, RFF is subject, in financial and accounting matters, to the rules applicable to industrial and commercial companies. It keeps its accounting records in accordance with French generally accepted accounting principles (*plan comptable général*).

RFF prepares interim financial statements to 30 June and annual financial statements to 31 December each year. These financial statements are presented in detail to the Audit Committee before being submitted to the Board of Directors.

As in the 2007 and 2008 annual financial statements, measures relating to the application of IAS 39 and IFRS 7 are described in detail in the notes to the 2009 consolidated financial statements.

Pursuant to the provisions of European Directive 2004/109/EC of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, the Finance and Flow Management Department addresses to an approved AMF distributor.

To comply with the obligations imposed by the Act no. 2009-1503 of 8 December 2009 relating to the organisation and regulation of rail transport, in accounting and financial matters, the Strategic Unit for

Financial Stability, in coordination with the Finance Department, was responsible for setting up, based on the information available in the company's information systems, specific 'regulation' accounting on which RFF will base its reports to the French Regulatory Authority for Railway Activities.

5 CORPORATE GOVERNANCE

The principles of corporate governance described below comply with the Act leading to the establishment of RFF and its related enabling legislation.

The Board of Directors takes decisions on matters relating to the corporate purpose of RFF.

5.1 The Board of Directors

5.1.1 *Composition and roles*

RFF is governed by an 18-member Board of Directors comprising seven representatives of the French State, five individuals selected for their expertise in specific areas and six representatives elected by RFF's employees.

The representatives of the French State on the Board of RFF and the individuals selected for their expertise in specific areas are appointed by State Decree based on a report issued by the French Transport Minister.

The representatives of the French State include two members appointed by the Transport Minister and one member each appointed by the Minister of the Economy, the Budget Minister, the Minister for Regional Planning, the Minister for Planning and the Minister for Local Government.

The individuals selected for their expertise in specific areas include two locally elected politicians chosen for their knowledge of regional, departmental or local aspects of railway issues, one member chosen for his or her knowledge of employee-related and professional aspects of rail transport, and another chosen as a representative of passengers.

The employee representatives are elected in accordance with the provisions of Act no. 83-675 of 26 July 1983 on the liberalisation of the public sector (as amended by Act no. 93-923 of 19 July 1993). This office is incompatible with all other employee representation functions within RFF and its subsidiaries.

A Government Commissioner and a Deputy Government Commissioner are appointed to RFF by ministerial order of the Transport Minister. The Government Commissioner or, in his or her absence, the Deputy Government Commissioner, attends meetings of the Board of Directors in a consultative capacity. He makes the Board aware, as necessary, of the government's position on the questions examined. He may request the inclusion of any matter on the agenda of an ordinary meeting of the Board and may also request that the Board meet in an extraordinary session with a specific agenda.

Similarly, the head of MCEFT (an audit team working under the supervision of the Minister of the Economy and the Budget Minister), or his representative, attends RFF Board meetings in a consultative capacity, and also takes part in Board special committees and commissions.

The Chairman of the Board of Directors is appointed from among the members of the Board, on its recommendation, by decree of the French Council of Ministers.

Hubert du Mesnil, was appointed Chairman of RFF by decree on 1 March 2007. His term of office was subsequently renewed by decree on 7 September 2007.

Board members serve for a term of five years, and receive no remuneration for holding office.

The other members of the Board of Directors are:

A – State’s representatives

Monsieur Hubert du MESNIL
Chairman of the Board of Directors

Monsieur Stanislas BOURRON
Deputy manager of competences and local institutions

Monsieur Emmanuel DURET
Adviser to the *Cour des Comptes*

Monsieur Laurent MACHUREAU
Deputy manager of the Budget Department

Monsieur Dominique MAILLARD
Chairman of the Management Board of *Réseau de Transport d’Electricité*

Monsieur François MARION
Office Manager of DA2
State Investment Agency (*Agence des Participations de l’Etat*)

Monsieur Michel MASSONI
General engineer of the *Ponts et Chaussées*

B – Members chosen for their specific knowledge

Monsieur Denis CHOUMERT
Manager of purchases and logistics at *Ciments Calcia*
President of the Association of the users of freight transport

Monsieur Yves CROZET
Professor

Monsieur Alain FOUCHÉ
Senator of Vienne

Madame Fabienne KELLER
Senator of Bas-Rhin

Monsieur Luc LALLEMAND
Managing director and Chairman of the executive committee of INFRABEL

C – Representatives elected by the employees

Madame Fanny ARAV
Project Officer

Madame Audrey DELAUNAY
Projects Manager

Monsieur Laurent GANGBES
Deputy Director of finance

Monsieur Joseph GIORDANO
Chief of investment projects department

Madame Céline PIERRE
Projects Manager RER B

Monsieur Didier THOMAS
Technical expert LGV

Professional address of the members of the Board of Directors is: 92, avenue de France - 75648 PARIS CEDEX 13.

RFF is not aware of any potential conflicts of interest between the duties of the persons listed above and their private interests or other duties.

5.1.2 *Board of Directors attributions*

The Board of Directors gives its opinion on all decisions concerning the strategic, economic, financial, and technological policies of RFF and ensures that its decisions are implemented. Medium-term policies are defined in a detailed strategic plan which is presented in draft form by the Chairman and approved by the Board of Directors.

The Board of Directors carries out the controls and verifications that it considers appropriate and assesses internal control procedures. Regular reports are made to the Board of Directors on the implementation of RFF's strategy, RFF's financial position, the main financing operations carried out and the progress of strategic business initiatives.

The Board relies strongly – in making its decisions – on the work carried out by its different special committees.

The Board may delegate some of its powers to its Chairman. Use of the powers thus delegated is covered in an annual report to the Board of Directors.

5.1.3 *Systems for the delegation of powers*

In accordance with the provisions of the aforementioned decree of 5 May 1997, the Chairman may delegate some of the powers granted to him to RFF employees or managers.

The conditions under which the Chairman may delegate his powers, as determined by the Board of Directors, are as follows:

- the Chairman may delegate some of his powers to an employee. The powers delegated may either be his own, or those which have been delegated to him by the Board of Directors. In granting such delegations, the Chairman may or may not grant a right to sub-delegate such powers;
- the delegations granted relate exclusively to the scope of expertise of the person receiving the delegation in question and relate to specific, listed activity categories. However, the Chairman may designate one or several employees to replace him if he is absent or unable to be present;
- the delegations granted may not include the authorisation to make decisions of a general nature;
- for decisions concerning financial matters, delegated powers are capped in amount.

In this context, the Chairman has delegated powers and signatory authority to RFF's key managers

The system of delegations was tailored to the company system adopted in September 2009.

A system of monthly reports on the use of delegations granted by the Chairman was introduced in July 2005. These monthly reports are used each year to prepare a summary of signed contracts enabling the Chairman to assess how granted delegations of responsibility are used and to obtain information on RFF's volume of activity and the breakdown of its financial commitments regarding five contract types (procurement agreements, financing agreements and mandates, acquisitions and disposals).

With regard to the number of delegates and the increase in delegated authorities, a practical delegation guide was prepared. Approved by the Chairman in November 2008, it presents the general conditions required to set up a system of delegations and helps to improve understanding of the system within the company. Available on the intranet, it was widely distributed to the main company managers. In addition to the general delegation conditions, specific measures may be taken in certain areas to remove any ambiguities as to the application of delegations.

The Cabinet Director ensures the consistency and updating of the delegation system, organises training for individuals granting and receiving delegations and generally keeps RFF employees informed.

5.2 Procurement commission and specialised committees

The Procurement Commission and the special committees comprised of members of the Board of Directors contribute to the preparation of the Board's decisions and to the proper performance of its duties.

The Board of Directors defines the duties and responsibilities of each committee. Within its area of expertise, this committee issues proposals, recommendations and opinions (or approvals, in certain cases, for the Commitments Committee), and can, for these purposes, commission any studies of a nature to assist the Board's deliberations.

Each commission or committee decides its own internal rules and regulations which specify its role and the manner in which it operates. These documents are approved by the Board of Directors and are appended to its own internal rules and regulations.

Commission and committee chairmen report to the Board of Directors, at the first Board meeting following the meetings of the commissions and committees, on the proposals, recommendations, opinions and approvals issued during these meetings.

The composition of the various committees may be changed following the appointment of new directors or the amendment of the Board's internal rules and regulations.

5.2.1 Procurement Commission

Chaired by the Chairman of the Board of Directors or his representative, the Procurement Commission is comprised of eight other members divided up in equal numbers of directors designated by the Board from among its members selected for their expertise in specific areas, its employee representative members and civil servants appointed by the Economy, Budget, Competition and Transport ministers.

The representative of the Government Commissioner and the representative of the MCEFT also sit on the committee.

This commission gives its opinion prior to the awarding of all contracts valued in excess of a threshold set by the Transport Minister; the Ministerial Order of 5 December 1997 set this threshold at €7.6 million.

This opinion is issued for contracts presented to the Board of Directors or those in excess of €7.6 million that are covered by a delegation of powers from the Board to the Chairman of RFF.

The following matters must also be submitted for a prior opinion of the Procurement Commission: any contractual amendment to a contract previously examined by the commission which has a financial impact in excess of the authorised amount; any contractual amendment which modifies the initial amount of the procurement contract causing it to exceed the threshold set by the Transport Minister; other legal documents formalising overruns of the authorised contractual amounts examined by the commission.

The Chairman of the Board of Directors, at his own initiative or at the request of the Board, can also submit any questions to the commission, at any time, falling within the scope of its authority.

5.2.2 Audit Committee

In accordance with the governance rules set by the Economy, Finance and Employment Ministry, the Board of Directors of RFF set up an Audit Committee as from 2004 in order to improve the capabilities of RFF and the Board in the areas of accounting policies and standards, financial reporting, financial communication and internal control.

In order to take into account the provision of Directive 2006/43/EC of 17 May 2006 (**Audit Directive**), transposed into French law by Order no. 2008-1278 of 8 December 2008, applicable to RFF as of 1 September 2009, the Board of Directors specified the tasks of the Audit Committee, which, until recently, operated in accordance with best practices, and consequently amended its internal regulations, particularly its annex which corresponds to the Committee's internal regulations.

The Committee initially comprised four directors, including one representative each of the Minister of the Economy and Budget Minister, and an employee representative. In 2008, an additional director was added, selected for his interest in the files examined by the Committee to improve the performance of its duties and strengthen its role. It was chaired by a director selected for his expertise in the specific area.

The representative of the Government Commissioner and the representative of the MCEFT also sit on the committee.

The Audit Director is invited to attend Audit Committee meetings.

The Audit Committee assists the Board of Directors and prepares the latter's work on important matters of an economic, financial and accounting nature. It takes into account the risks faced by RFF and evaluates the quality of its internal control.

Its role in these areas is to analyse and prepare certain deliberations of the Board of Directors to which it submits its opinions, proposals and recommendations.

The Audit Committee is particularly responsible for monitoring the financial information preparation process, the effectiveness of internal control and risk management systems, the audit of the parent company and consolidated financial statements by the statutory auditors, and the independence of the statutory auditors.

It regularly reports to the Board of Directors on the performance of its tasks and informs it of any problems encountered in a timely manner.

The Audit Committee is particularly responsible for the review of (i) half-yearly and annual financial statements and the notes thereto, (ii) the directors' report, (iii) the application of new accounting standards, (iv) the budgetary forecasts, (v) RFF's financial communications and (vi) material financial risks and off-balance sheet commitments.

It approves, upon the recommendation of General Management, the annual audit programme and risk mapping and presents the report on the measures undertaken with respect to internal control. It receives summaries of internal audit reports.

It has the power to interview the head of internal audit without the presence of General Management and expresses its opinion on the organisation of the Internal Audit Division.

It issues a recommendation on the appointment of the statutory auditors to the Board of Directors. It verifies the principle of separating the activities of the Board and the statutory auditors and is kept abreast of any significant consulting engagements conducted within RFF.

The Audit Committee may meet without the presence of RFF directors.

It has the power to convene the statutory auditors to its meetings and obtain from them any information that may be useful to the performance of its assignments. During the audit of the financial statements, discussions are scheduled with the statutory auditors in the absence of RFF management.

The Audit Committee may interview other internal or external persons, after having notified the Chairman of the Board of Directors. It may obtain any internal document or any information necessary to its proper functioning.

5.2.3 *Strategy Committee*

In September 2007, and at the proposal of its Chairman, the Board of Directors of RFF decided to create a Strategy Committee, to strengthen the capabilities of RFF and its Board in the areas of strategic thinking and decision-making.

This Committee comprises six directors: the chairmen of the Board of Directors, the Audit Committee and the Commitments Committee, the director representing the Minister of the Economy, the director representing the Budget Minister and, lastly, a director representing employees. The Strategy Committee

assists the Board of Directors and it prepares the latter's deliberations on RFF's strategic policy, particularly in terms of pricing, and on subjects of key strategic significance. In this context, its opinion is particularly sought concerning the strategic plan.

The representative of the Government Commissioner and the representative of the MCEFT also sit on the committee.

5.2.4 *Commitments Committee*

In September 2007, and at the proposal of its Chairman, the Board of Directors decided to create a Commitments Committee, in order to strengthen the capabilities of RFF and its Board in the areas of budgeting, development projects, investment projects and property portfolio.

The Commitments Committee comprises five directors, including the representative of the Minister of the Economy, the representative of the Budget Minister and an employee representative, and is chaired by a director selected for his expertise in specific areas. The Commitments Committee assists the Board of Directors and prepares the latter's deliberations on matters relating to investments or involving a financial commitment for RFF: the budget (initial, modified and forecast), investment programmes and development projects (development policy and financial aspects) and projects relating to the property portfolio.

On matters of this nature, the Committee submits its opinion to the Board of Directors.

The representative of the Government Commissioner and the representative of the MCEFT also sit on the committee.

5.2.5 *Other special committees*

Taking into account the strategic importance of the GSM-R project for RFF and the innovative nature of major public-private partnership management projects, the Board of Directors decided to set up in April 2009 a special GSM-R committee in order to review the terms and conditions governing the partnership contract pertaining to this operation and issue a favourable opinion prior to selecting the contract beneficiary.

This Committee includes the chairmen of the Commitments Committee, the Audit Committee and the Procurement Commission, in addition to the Government Commissioner, the head of the MCEFT, and the director representing the Budget Department.

It is chaired by the Chairman of the Commitments Committee.

Plans have been made to extend this principle behind this special committee to other major projects of the same type.

5.3 *Management of the establishment*

5.3.1 *The Chairman of the Board of Directors*

Decree no. 97-444 of 5 May 1997, as amended, relating to the corporate purpose and Articles of Association of RFF defines the respective powers of the Board of Directors and its Chairman.

The Chairman of the Board of Directors implements the strategy defined by the Board of Directors.

To this end, he is granted all powers necessary to ensure the proper operation of RFF and to act in all circumstances on its behalf. He is responsible for the effective economic and financial management of RFF and takes the appropriate measures to ensure that this management is in keeping with the defined objectives.

In its meeting on 29 November 2007, the Board modified and completed this delegation of powers, to take account, in particular, of regulatory developments entrusting RFF with new duties, primarily relating to the safety and management of the national rail infrastructure, as well as to improve the allocation of responsibilities between the Board of Directors and its Chairman.

This new allocation was accompanied by a strengthening of the role of the Board's special committees, one of the objectives of which was to reduce the length of Board meeting agendas.

This delegation of powers, which has not been amended since that date, led to a strengthening of the role of the Chairman, particularly by increasing the amounts below which the Chairman has direct powers of decision. This was put in place with a view to improving corporate governance, and involved a change in the organisational structure and the improvement of internal control procedures.

The powers granted by the Board of Directors to its Chairman are subject to his acting within the framework of RFF's programmes, working within the limits of the amounts available under its budgets and to his reporting to the Board on this management. To this end, the Chairman presents a periodic report to the Board of Directors on the powers delegated to him by the Board.

5.3.2 General Management

A decision made by the Chairman of RFF on 21 September 2009 transformed the organisational structure of RFF decided on 2 January 2008:

This general organisation now combines a general secretariat and the following five divisions:

- the "Development and Investments" division, entrusted to the Chief Operating Officer;
- the "Clients and Services" division, entrusted to an Executive Vice-President;
- the "Infrastructure and Operations" division, entrusted to an Executive Vice-President;
- the "Finance and Purchasing" division, entrusted to an Executive Vice-President;
- the "Strategy and Governance" division, entrusted to the Executive Vice-President.

The Chairman is responsible for the general management of RFF. He leads and coordinates the collective work of the head office departments and regions.

Since RFF is a state-owned company, the Chairman's remuneration is determined by ministerial decision.

He is assisted by a Cabinet Director, to whom the Board of Directors' General Secretariat reports.

Together with the Chairman, the five heads of division and the general secretary form the General Management of RFF and represent its Executive Committee.

The Chief Operating Officer assists the Chairman with his executive duties.

In addition to the Cabinet Department, three head office departments (strategy and sustainable development, audit, external relations and communication, and land and property), and twelve regions report directly to the Chairman.

The twelve regions are responsible for the implementation in their respective areas of RFF's strategic policy under the supervision of the division heads.

The Executive Committee, chaired by the Chairman, prepares the decisions of the Board of Directors, organises their implementation. It makes general management and corporate governance decisions, and collectively assumes overall responsibility for the company's coordination.

The Management Committee, chaired by the Chairman or in his absence the Chief Operating Officer, comprises members of the Executive Committee, head office directors and the Ile-de-France regional director. It coordinates the various head office strategies and prepares the company's strategies for transversal issues of major importance.

The Directors' Committee brings Executive Committee members and regional directors and head office directors together to ensure overall management, operating consistency, reporting and the follow-up of action plans.

The "Strategy and Governance" Executive Vice-President coordinates the regions and in conjunction with the Cabinet Director.

5.3.3 Internal committees and commissions, other management bodies

In managing RFF, general management relies on a certain number of internal committees and commissions which meet periodically. Some of the committees and commissions are involved in strategic planning, while others have a more operational role. The committees and commissions are as follows:

- the Strategic Planning Commission (*Costrat*) chaired by the Chairman of RFF, who is assisted by the Executive Vice-President in charge of the "Strategy and Governance" division: this committee meets to discuss matters of strategic importance and to prepare initiatives and policies in respect of such matters. Its policies may be presented to the Management Committee (*CODIRG*) or the Executive Committee (*COMEX*) for decision-making purposes, and then, where necessary, to the Strategic Committee of the Board of Directors.
- the National Investment Project Committee (*CNI – comité national*) and the Regional Investment Project Committees (*CRI – comités régionaux*): these committees are chaired by RFF's Chief Operating Officer at the national level and by the Regional Director in each region. Decisions relating to development projects or renewal projects are made following the approval of the Special Committee. These committees are responsible for considering project start-up files, approving and authorising the launch of various preliminary and pre-project studies, validating RFF's financial participation and monitoring pilot and finalisation phases. The responsibilities of these committees, whether regional or national, are defined by financial thresholds expressed in different values depending on the type of operation.
- the National Land Committee (*CNF – comité national foncier*), chaired by the RFF Land and Property Director, and the Regional Land Committees (*CRF – comités régionaux fonciers*),

chaired by the Regional Director of the relevant region: these committees are internal decision-making bodies consulted during the three key stages of a transaction (changeability, valuation strategy and sales terms and conditions). The National Land Committee is responsible for all sales transactions featuring in the business plan under the supervision of the head office Land and Property Department. The Regional Land Committees are responsible for sales transactions under regional supervision and are systematically consulted for any planned sale recorded individually in the sales business plan.

- the Major Projects Committees (*CGP – comités des grands projets*), chaired by the Chief Operating Officer: each committee is an internal project coordination body. For a given project, the committee validates the technical and functional strategies to be allocated to studies, the positions to be adopted by RFF in external steering committees with co-financiers or with respect to regulatory procedures, and major management decisions. They also review technical, human and financial resources, and organise the contributions of various departments. Each major project phase is approved by the National Investment Project Committee, subject to the responsibilities of the Executive Committee, the Board of Directors and the Transport Ministry.
- the Information System Committee: the Information Systems Committee ensures alignment between the consideration of issues and the development of RFF's activity and the overall changes in the information system.

6 THE SUSTAINABLE DEVELOPMENT AND THE PERFORMANCE CONTRACT

The Performance Contract between the French State and RFF for the period 2008-2012 signed on 3 November 2008 incorporates the strong commitments resulting from the *Grenelle de l'Environnement* talks and defines the infrastructure modernisation objectives and the means of developing a new network commercial offering, in order to improve quality, service and safety.

Based on a number of commitments, accompanied by performance objectives and indicators, the French State and RFF have undertaken to achieve the task of focusing the modernisation and development of the rail infrastructure on four major areas: improving the quality of routes and developing the commercial results of RFF; upgrading and developing the network; modernising operations to improve performance; and enhancing the value of the infrastructure and ensuring its economic balance.

The main focus, lines of action and objectives presented in RFF's strategic plan for the period 2007-2010 and the sustainable development strategy "Towards a sustainable network", for the period 2008-2012, fall into this context.

7 LEGAL DOCUMENTS CONCERNING RÉSEAU FERRÉ DE FRANCE MAY BE CONSULTED AT THE COMPANY'S REGISTERED OFFICE

RESEAU FERRE DE FRANCE
92, avenue de France
75 649 Paris Cedex 13
Tel : 33 (0)1 53 94 30 00

8 FINANCIAL STATEMENTS

Copies of the RFF's most recently published audited financial statements and any subsequently published interim financial statements - which are not audited but are subject to a limited review by the auditors - can be obtained from the Dealers.

9 NON CONSOLIDATED NET DEBT AS AT 7 JUNE 2010

As at 7 June 2010, the non consolidated net debt of RFF increased by a net amount of €227 million as compared with the amount shown in the 31 December 2009 audited non consolidated balance sheet.

Key Figures

Key Figures

(from consolidated financial statements)

Net income for the year

| In millions of euros | 2008 (12 months) | 2009 (12 months) |
|-----------------------------------|-----------------------------|-----------------------------|
| Recurring operating (loss)/profit | (397.1) | 1,585.6 |
| Non-recurring income and expenses | (9,207.2) | (0.2) |
| Net finance costs | (772.0) | (1,128.6) |
| Income tax expense | 3,811.0 | (152.8) |
| Net profit for the year | 11,849.0 | 304.0 |

Infrastructure fees

| In millions of euros | 2008 | 2009 | Change |
|----------------------------------|----------------|----------------|---------------|
| Access rights | 100.8 | 169.9 | 69.1 |
| Route reservation fees | 1,631.0 | 1,703.1 | 72.1 |
| Station stop reservation fees | 440.3 | 439.1 | (1.2) |
| Traffic fees | 503.7 | 543.8 | 40.1 |
| Total infrastructure fees | 2,675.8 | 2,855.9 | 180.1 |

Net finance costs

| In millions of euros | 2008 (12 months) | 2009 (12 months) | Change |
|-----------------------------|-----------------------------|-----------------------------|----------------|
| Debt reduction grant | 686.2 | | (686.2) |
| Cost of net debt | (1,470.7) | (1,138.8) | 331.9 |
| Other financial income | 52.1 | 18.3 | (33.8) |
| Other financial expenses | (39.6) | (8.1) | (31.5) |
| Net financial costs | (772.0) | (1,128.6) | (356.6) |

Key Figures

Net debt

| In millions of euros | 31 December 2008 | | | 31 December 2009 | | |
|--|------------------|-----------------|-----------------|------------------|-------------|-----------|
| | Current | Non-current | Total | Current | Non-current | Total |
| Borrowings | 5,022.8 | 24,249.0 | 29,271.8 | 3,946.4 | 25,337.5 | 29,283.9 |
| Cash and cash equivalents | (1,890.8) | | (1,890.8) | (2,002.6) | | (2,002.6) |
| Net debt before impact of derivatives | 3,132.1 | 24,249.0 | 27,381.1 | 1,943.8 | 25,337.5 | 27,281.4 |
| Asset derivatives allocated to debt | (66.0) | (275.3) | (341.3) | (47.9) | (250.8) | (298.6) |
| Liability derivatives allocated to debt | 170.4 | 1,948.9 | 2,119.4 | 138.0 | 1,872.8 | 2,010.8 |
| Net debt | 3,236.5 | 25,922.6 | 29,159.1 | 2,034.0 | 26,959.5 | 28,993.5 |

Transfer Restrictions for Restricted Registered Notes in the territory of the United States of America

Each prospective purchaser of an interest in a Restricted Registered Note in the United States, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) This Base Prospectus is personal to such offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Restricted Registered Notes. Distribution of this Base Prospectus, or disclosure of its contents to any person other than such offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.
- (2) Such offeree agrees to make no photocopies of this Base Prospectus or any documents referred to herein.

Each purchaser of an interest in a Restricted Registered Note will be deemed to have represented and agreed as follows (terms used in this paragraph that are not defined herein will have the meaning given to them in Rule 144A or Regulation S as the case may be):

- (1) It is (a) a qualified institutional buyer within the meaning of Rule 144A (**QIB**), (b) acquiring such Restricted Registered Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Registered Notes has been advised, that the sale of such Restricted Registered Notes to it is being made in reliance on Rule 144A.
- (2) It understands that the Restricted Registered Notes have not been and will not be registered under the Securities Act or any other applicable securities laws and (i) may not be offered, resold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (d) to the Issuer and, in each of such cases in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, (ii) the purchaser will, and each subsequent holder of the Restricted Registered Notes is required to, notify any purchaser of such Restricted Registered Note from it of the resale restrictions referred to in (i) above and that (iii) no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of the Restricted Registered Notes.
- (3) It understands that each Restricted Registered Note, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend (**Rule 144A Legend**) to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER AND THE

DEALERS THAT (A) THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) TO THE ISSUER, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, OR ANY OTHER JURISDICTION, AND THAT (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO IN (A) ABOVE. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE.

- (4) It understands that the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Registered Notes for the account of one or more QIBs, 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.
- (5) It understands that the Restricted Registered Notes offered in reliance on Rule 144A will be represented by a restricted Global Note. Before any interest in the restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in an unrestricted Global Note, it will be required to provide the Registrar or the Transfer Agent with a written confirmation as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Restricted Registered Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Subscription and Sale

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank PLC, BNP PARIBAS, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities Ltd., Natixis, Royal Bank of Canada Europe Limited, Société Générale, The Royal Bank of Scotland plc and UBS Limited (the **Permanent Dealers**). However, the Issuer has reserved the right to sell Notes directly on its own behalf to dealers that are not Permanent Dealers (together with the Permanent Dealers, the **Dealers**). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 10 June 2010, as supplemented (the **Dealership Agreement**, which expression shall include any further amendments or supplements thereto) and made between the Issuer and the Permanent Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or termination of appointment of existing Permanent Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

UNITED STATES OF AMERICA

Regulation S Category 2; TEFRA D, unless TEFRA C is specified as applicable, or if TEFRA is specified as not being applicable in the relevant Final Terms; Rule 144A Eligible if so specified in the relevant Final Terms.

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered directly or indirectly 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 the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986, as amended and regulations thereunder.

Each Dealer has represented, and each further Dealer appointed under the Dealership Agreement will be required to represent and agree, that, except as permitted by the Dealership Agreement, neither it nor its affiliates nor any person acting on its or their behalf, will offer, sell or deliver Notes of any Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to or for the account or benefit of U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes of such Tranche during the distribution compliance period (other than pursuant to Rule 144A) relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to or for the account or benefit of U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes any offer or sale of Notes of such Tranche within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than

in accordance with an applicable exemption from registration under the Securities Act.

Notwithstanding the foregoing, Dealers nominated by the Issuer may arrange for the offer and sale of Registered Notes in the United States pursuant to Rule 144A under the Securities Act. Each purchaser of such Notes is hereby notified that the offer and sale of such Notes may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE

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 will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto 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 such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such 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, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (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;
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any 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 that:

- (1) *General compliance:* it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the **FSMA**) with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom;
- (2) *Investment advertisements:* 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 the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (3) *Accepting deposits in the United Kingdom:* with respect to any Tranche of Notes having a maturity of less than one year from the date of issue, (i) 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 (ii) it has not offered or sold and will not offer or sell any such Notes other than to persons:
 - (a) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (b) 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.¹²

JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No.25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell 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, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

THE REPUBLIC OF FRANCE

Each of the Dealers and the Issuer has represented and agreed that:

(i) Offer to the public in France:

it has only made and will only make an offer of Notes to the public in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers*

¹² Any such Notes issued must have a minimum redemption value and denomination of £100,000 (or its equivalent in other currencies).

(AMF), on the date of such 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 Monetary and Financial Code 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:

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 Base 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 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, all as defined in, and in accordance with, Articles L.411-1, L.411-2, and D.411-1 to D.411-3 of the French *Code monétaire et financier* (the **French Monetary and Financial Code**).

SWITZERLAND

Each Dealer has represented and agreed that any issue of Notes denominated in Swiss Francs will be offered and sold in accordance with practices and documentation customary in Switzerland. In respect of such Notes to be listed on the SWX Swiss Exchange, the relevant Dealer will (if necessary, in co-operation with a listing representative recognised by the SWX Swiss Exchange) prepare and provide to potential investors a prospectus in accordance with the listing rules of the SWX Swiss Exchange and will provide any further information as will be required by applicable Swiss regulations.

GENERAL

Other than with respect to the listing of the Notes on such stock exchange as may be specified in the Final Terms, no action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands the Base Prospectus, any supplement thereto or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the preceding paragraph.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such modification will be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or (in any other case) in a supplement to this document.

Taxation

EU SAVINGS DIRECTIVE

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **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 located within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories have adopted similar measures.

The Directive was implemented into French law under Article 242 *ter* of the French *Code général des impôts* (the **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.

FRANCE

The descriptions below are intended as a basic summary of certain tax consequences in relation to the purchase, ownership and disposal of the Notes under French law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

(i) Notes issued as from 1 March 2010 other than Notes which are consolidated (*assimilées* for the purposes of French law) with Notes issued before 1 March 2010

Following the introduction of the French *loi de finances rectificative pour 2009* no. 3 (n° 2009-1674 dated 30 December 2009) (the **Law**), payments of interest and other revenues made by the Issuer with respect to Notes issued on or after 1 March 2010 (other than Notes (described below) which are consolidated (*assimilables* for the purposes of French law) with Notes issued before 1 March 2010 having the benefit of Article 131 *quater* of the French General Tax Code) will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50 % withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code.

Furthermore, interest and other revenues on such Notes will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French general tax code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French general tax code, at a rate of 25% or 50%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply if the Issuer can prove that the principal purpose and effect of a particular issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**).

Pursuant to the ruling N° 2010/11 (*rescrit*) of the *Direction générale des impôts* published on 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

(a) offered by means of a public offer within the meaning of Article L.411.1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(b) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(c) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-1 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

(ii) Notes which are consolidated (*assimilées* for the purposes of French law) with Notes issued before 1 March 2010

Payments of interest and other revenues with respect to Notes which are consolidated (*assimilées* for the purposes of French law) and form a single series with Notes issued before 1 March 2010, will continue to be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code.

In addition, interest and other revenues paid by the Issuer on Notes issued on or after 1 March 2010 and which are to be consolidated (*assimilées* for the purposes of French law) with Notes issued before 1 March 2010 will not be subject to the withholding tax set out in Article 119 *bis* of the French General Tax Code solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

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 Directive 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 within the meaning of Article 4.2 of the Directive (*i.e.*, entity which is not a legal person (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, that is not and has not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC), 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 20 per cent., increasing to 35 per cent. as from 1 July 2011. 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 20 per cent.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended by the law of 17 July 2008 (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 (defined in the same way as in the Directive) or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC or for the exchange of information regime) will be subject to a withholding tax of 10 per cent. Only interest accrued after 1 July 2005 falls within the scope of the withholding tax. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/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.

Pursuant to the Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Directive.

GENERAL

The Issuer assumes responsibility for withholding taxes to the extent set forth in Condition 8 of the Conditions.

Taxation

The comments above are of a general nature. They do not necessarily apply to all holders of Notes or in all circumstances. Any holder of Notes who is in any doubt as to his own tax position should consult his tax advisers.

General Information

Authorisation

1. The establishment of the Programme was authorised by a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 9 July 1998. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The increase of the aggregate nominal amount of the Programme to Euro 30,000,000,000 was authorised by a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 17 December 2009.

Approval, Listing and Admission to trading of the Notes

2. Application has been made to the CSSF to approve this document as a base prospectus. Application has been made to the Luxembourg Stock Exchange for the Notes to be issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and 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 Markets in Financial Instruments Directive (Directive 2004/39/EC).

However, Notes may be issued pursuant to the Programme which will not be admitted to trading on the Luxembourg Stock Exchange's regulated market or any other stock exchange or market or which will be admitted to trading and/or listed on such stock exchange or market as the Issuer and the relevant Dealer(s) may agree.

Clearing

3. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Series will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system (including Euroclear France) as shall have accepted the relevant Notes for clearance together with any further appropriate information. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

United States Legend

4. Bearer Notes (other than Temporary Global Notes) and any Coupon, Receipt and Talon pertaining thereto will bear a legend substantially to the following effect: "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 in such legend provide that a United States person who holds a Bearer Note, Coupon, Receipt or Talon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Bearer Note, Coupon, Receipt or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Litigation

5. Save as disclosed in this Base Prospectus, the Issuer is not and has not, in the 12 months preceding the date of this document, been involved in any governmental, legal or arbitration proceedings (including any

General Information

such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in such period a significant effect on the financial position or profitability of the Issuer.

No Significant or material adverse change

6. Since 31 December 2009, the last day of the financial period in respect of which the most recent audited financial statements of the Issuer have been prepared, there has been (i) no significant change in the financial or trading position of the Issuer and (ii) no material adverse change in the prospects of the Issuer.

Documents available

7. For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtainable, free of charge, during normal business hours at the specified office of the Issuer, the Fiscal Agent and the Registrar and any Transfer Agent, at the specified office in Luxembourg of the Principal Paying Agent and at the specified office in Paris of the Paris Paying Agent namely:
- (a) the Fiscal Agency Agreement;
 - (b) the Deed of Covenant;
 - (c) the Dealership Agreement;
 - (d) the Issuer-ICSDs Agreement;
 - (e) the Base Prospectus (and any supplements thereto) and any Final Terms relating to Notes which are listed on any stock exchange. In the case of any Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available for inspection by a Holder of or, as the case may be, a Beneficiary (as defined in the Deed of Covenant) in respect of, such Notes;
 - (f) the audited financial statements of the Issuer (including the auditors' reports with respect thereto) for the years ended 31 December 2008 and 2009 and, hereafter, its most recent publicly available audited financial statements (including the auditors' reports with respect thereto) and the subsequently published semi-annual financial statements which are not audited but have been the subject of a limited review by the auditors; and
 - (g) the constitutional documents of the Issuer.

For a period of 12 months following the date of approval by the CSSF of this Base Prospectus, this Base Prospectus will be published on the internet site of the Luxembourg Stock Exchange at www.bourse.lu.

8. The Issuer has agreed to furnish to investors upon request such information as may be required by Rule 144(a)(4) under the Securities Act.

Governing Law

9. The attention of investors is drawn to the fact that the Notes issued under the Programme, and all non-contractual obligations arising from or connected with them, are governed by English law.

Auditors

10. The auditors of the Issuer are PricewaterhouseCoopers Audit and Mazars. As described under “*Description of the Issuer – Statutory Auditors*” above, PricewaterhouseCoopers Audit and Salustro Reydel, Member of KPMG International, the auditors of the Issuer for the financial years 1998 to 2008, have audited the Issuer's financial non-consolidated statements, without qualification for the years ended 31 December 2008, in accordance with French generally accepted accounting principles and the Issuer's consolidated financial statements, without qualification for the years ended 31 December 2008, in accordance with IFRS as adopted in the European Union. PricewaterhouseCoopers Audit and Mazars, auditors of the Issuer for the financial year 2009, have audited the Issuer's financial non-consolidated statements, without qualification for the years ended 31 December 2009, in accordance with French generally accepted accounting principles and the Issuer's consolidated financial statements, without qualification for the years ended 31 December 2009, in accordance with IFRS as adopted in the European Union. The auditors of the Issuer have no material interest in the Issuer.

Pricing

11. The price and amount of Notes to be issued under the Programme will be determined by the Issuer at the time of issue in accordance with prevailing market conditions.

Post-Issuance Information

12. Unless otherwise specified in the Final Terms, the Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities.

REGISTERED OFFICE OF THE ISSUER

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ARRANGER

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SOCIÉTÉ GÉNÉRALE

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UBS LIMITED

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Mazars

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BNP Paribas Securities Services

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To the Issuer

as to English and French law

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To the Dealers

as to English and French law

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