



**Issue of €1,500,000,000 1.875 per cent. Senior Non-Preferred Notes due December 2026  
under the Euro 75,000,000,000 Euro Medium Term Note Programme**

**Series No: 505**

**Tranche No: 1**

**Issue Price: 99.504 per cent.**

The €1,500,000,000 1.875 per cent. senior non-preferred notes maturing on December 2026 (the “**Notes**” or the “**Senior Non-Preferred Notes**”) will be issued by Crédit Agricole S.A., acting through its London branch (the “**Issuer**”) on 20 December 2016 (the “**Issue Date**”) under its Euro 75,000,000,000 Euro Medium Term Note Programme (the “**EMTN Programme**”).

The Notes and, where applicable, the Coupons relating to them, will constitute direct, unconditional, unsecured and senior non-preferred obligations of the Issuer in accordance with article L.613-30-3 I 4° of the French *Code monétaire et financier*, as further described in Condition 4 (*Status of the Notes*). The Notes will rank junior to certain Senior Preferred Obligations (as defined in Condition 2 (*Interpretation*)) of the Issuer, as described herein.

The Notes will bear interest at a rate of 1.875 per cent. *per annum* from (and including) the Issue Date, payable annually in arrear on or about 20 December of each year, beginning on 20 December 2017, to (but excluding) 20 December 2026 (the “**Maturity Date**”), as further described in Condition 5 (*Interest*).

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at par on the Maturity Date. The Issuer may, at its option (subject to approval by the Relevant Regulator and/or the Relevant Resolution Authority, if required), redeem all, but not some only, of the Notes at their outstanding principal amount plus accrued interest (if any) thereon upon the occurrence of a Tax Event or a MREL/TLAC Disqualification Event (each as defined in Condition 2 (*Interpretation*)). In the event that a MREL/TLAC Disqualification Event, Tax Event or Alignment Event (as defined in Condition 2 (*Interpretation*)) occurs and is continuing, the Issuer may (subject to approval by the Relevant Regulator and/or the Relevant Resolution Authority, if required) also substitute all (but not some only) of the Notes or modify the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes (as defined in Condition 2 (*Interpretation*)).

The Notes will be governed by English law, save for Condition 4 (*Status of the Notes*) which shall be governed by French law.

The Notes will be issued in denominations of €100,000 each. The Notes will be issued in bearer form and will initially be represented by Global Notes, without interest coupons, which will be deposited on or around the Issue Date with a common safekeeper for Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking S.A., Luxembourg (“**Clearstream, Luxembourg**”). Definitive Bearer Notes will only be issued in limited circumstances.

This drawdown prospectus (the “**Drawdown Prospectus**”) constitutes a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended, which includes the amendments made by Directive 2010/73/EU of the European Parliament and of the Council dated 24 November 2010 (the “**Prospectus Directive**”).

Application has been made to list and admit to trading the Notes, as of their Issue Date on the regulated market of Euronext in Paris (“**Euronext Paris**”). Euronext Paris is a regulated market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council dated 21 April 2004, as amended.

The Notes are expected to be rated BBB+ by Standard & Poor's Credit Market Services France SAS (“**S&P**”), A by Fitch France S.A.S. (“**Fitch**”) and Baa2 by Moody's Investors Service Ltd (“**Moody's**”). Each of S&P, Fitch and Moody's is established in the European Union (“**EU**”) and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation as of the date of this Drawdown Prospectus. This list is available on the ESMA website at [www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) (list last updated on 1<sup>st</sup> December 2015). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

**Investing in the Notes involves certain risks. See the section “*Risk Factors*” in this Drawdown Prospectus for a description of certain risk factors which should be considered by potential investors in connection with any investment in the Notes.**

Copies of this Drawdown Prospectus are available on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and of the Issuer ([www.credit-agricole.com](http://www.credit-agricole.com)) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours. Copies of all documents incorporated by reference in this Drawdown Prospectus are available (i) on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and/or (ii) on the website of the Issuer ([www.credit-agricole.com](http://www.credit-agricole.com)) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours.



In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and its General Regulations (*règlement général*), in particular Articles 211-1 to 216-1, the AMF has granted to this Drawdown Prospectus the visa no. 16-587 on 14 December 2016. This Drawdown Prospectus has been prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of “*whether the document is complete and comprehensible, and whether the information in it is coherent*”. It does not imply that the AMF has verified the accounting and financial data set out in it and the appropriateness of the issue of the Notes.

### **Global coordinator, Sole Structuring Advisor and Sole Bookrunner**

Crédit Agricole CIB

### **Joint Lead Managers**

Commerzbank  
Goldman Sachs International  
HSBC  
J.P. Morgan  
Natixis

The date of this Drawdown Prospectus is 14 December 2016.

*This Drawdown Prospectus has been prepared for the purpose of giving information with respect to the Issuer and the Crédit Agricole Group as well as the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.*

*This Drawdown Prospectus should be read and construed together with all documents incorporated by reference herein (see the section entitled "Incorporation by Reference" below), and that form part of this Drawdown Prospectus. Capitalised terms used but not otherwise defined in this Drawdown Prospectus shall have the meaning given to them in the Base Prospectus as supplemented incorporated therein.*

*None of Crédit Agricole Corporate and Investment Bank (the "**Lead Manager**") or Commerzbank Aktiengesellschaft, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc and Natixis (the "**Joint Lead Managers**" and, together with the Lead Manager, the "**Managers**") has independently verified the information contained in this Drawdown Prospectus. Accordingly, the Managers do not make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Drawdown Prospectus. Neither this Drawdown Prospectus nor any other information supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by, or on behalf of, the Issuer or the Managers that any recipient of this Drawdown Prospectus or any other financial statements should purchase the Notes.*

*No person is authorised to give any information or to make any representation related to the issue, offering or sale of the Notes not contained in this Drawdown Prospectus. Any information or representation not so contained herein must not be relied upon as having been authorised by, or on behalf of, the Issuer or the Managers. The delivery of this Drawdown Prospectus or any offering or sale of Notes at any time does not imply (i) that there has been no change with respect to the Issuer or the Crédit Agricole Group, since the date hereof and (ii) that the information contained or incorporated by reference in it is correct as at any time subsequent to its date. None of the Managers undertakes to review the financial or general condition of the Issuer during the life of the arrangements contemplated by this Drawdown Prospectus nor to advise any investor or prospective investor in the Notes of any information coming to its attention.*

*The Drawdown Prospectus and any other information relating to the Issuer or the Notes should not be considered as an offer, an invitation, a recommendation by any of the Issuer or the Managers to subscribe or purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained in this Drawdown Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. Investors should review, inter alia, the documents incorporated by reference into this Drawdown Prospectus (see section entitled "Incorporation by Reference" below) when deciding whether or not to subscribe for or to purchase the Notes. Investors should in particular conduct their own analysis and evaluation of risks relating to the Issuer, the Crédit Agricole Group, their business, their financial condition and the issued Notes and consult their own financial or legal advisers about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances. Potential investors should read carefully the section entitled "Risk Factors" set out in this Drawdown Prospectus before making a decision to invest in the Notes.*

*The distribution of this Drawdown Prospectus and the offering or the sale of the Notes in certain jurisdictions may be restricted by law or regulation. Neither the Issuer, nor the Managers represent that this Drawdown Prospectus may be lawfully distributed, or that any Notes may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution, offering or sale. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of any Notes or distribution of this Drawdown Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Note may be offered or sold, directly or indirectly, and neither this Drawdown Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Drawdown Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on offers and sales of Notes and distribution of this Drawdown Prospectus and of any other offering material relating to the Notes, see the section entitled "Subscription and Sale" in this Drawdown Prospectus and the section entitled "Subscription and Sale" in the Base Prospectus as supplemented incorporated therein.*

*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 in the United States. The Notes may not be offered, sold, delivered or otherwise transferred 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**”)), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities laws. The Notes are being offered and sold only in “offshore transactions” (as defined in Regulation S) outside of the United States in accordance with Regulation S under the Securities Act.*

*This Drawdown Prospectus has not been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”) by a person authorised under FSMA and is only being distributed to and is only directed at (i) persons who are outside of the United-Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (iii) high net worth entities, and other persons to whom it may be lawfully be communicated, falling with Article 49(2)(a) to (e) of the Order (all such persons together being referred to as “**relevant persons**”). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its content.*

*In this Drawdown Prospectus, references to “euro”, “EUR” and “€” refer to the lawful currency of the European Union introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.*

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## **PERSON RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE DRAWDOWN PROSPECTUS**

Olivier Bélorgey, *Directeur de la Gestion Financière* of Crédit Agricole S.A.

### **Declaration by the person responsible for the Drawdown Prospectus**

To the best of my knowledge (having taken all reasonable care to ensure that such is the case), I hereby certify that the information contained in this Drawdown Prospectus is in accordance with the facts and contains no omission likely to affect its import.

### **Crédit Agricole S.A.**

12 place des Etats-Unis  
92127 Montrouge Cedex  
France

Duly represented by:

Olivier Bélorgey,  
*Directeur de la Gestion Financière*,  
on 14 December 2016

## INCORPORATION BY REFERENCE

This Drawdown Prospectus should be read and construed in conjunction with the following documents, which have been previously published and have been filed with the AMF and shall be incorporated in, and form part of, this Drawdown Prospectus (the “**Documents Incorporated by Reference**”):

- 1 the base prospectus dated 23 March 2016 relating to the Euro 75,000,000,000 Euro Medium Term Note Programme which has received from the AMF visa no. 16-094 on 23 March 2016 (the “**Base Prospectus**”). To the extent that the Base Prospectus itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- 2 the first supplement to the Base Prospectus dated 6 April 2016 which has received from the AMF visa no. 16-121 on 6 April 2016 (the “**First Supplement**”). To the extent that the First Supplement itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- 3 the second supplement to the Base Prospectus dated 20 May 2016 which has received from the AMF visa no. 16-190 on 20 May 2016 (the “**Second Supplement**”). To the extent that the Second Supplement itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- 4 the third supplement to the Base Prospectus dated 19 August 2016 which has received from the AMF visa no. 16-398 on 19 August 2016 (the “**Third Supplement**”). To the extent that the Third Supplement itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- 5 the fourth supplement to the Base Prospectus dated 16 November 2016 which has received from the AMF visa no. 16-533 on 16 November 2016 (the “**Fourth Supplement**”, and together with the Base Prospectus, the First Supplement, the Second Supplement and the Third Supplement, the “**Base Prospectus as supplemented**”). To the extent that the Fourth Supplement itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein;
- 6 the French and English versions of the audited consolidated financial statements of the Crédit Agricole S.A. Group for fiscal year 2014 and related notes and audit report (the “**Consolidated Financial Statements 2014 for the Crédit Agricole S.A. Group**”), which are extracted from the Issuer’s 2014 Registration Document filed with the AMF on 20 March 2015 under no. D.15-0180 (the “**2014 RD**”)<sup>1</sup>;
- 7 the French and English versions of the audited non-consolidated financial statements of Crédit Agricole S.A. for fiscal year 2014 and related notes and audit report (the “**Non-consolidated Financial Statements 2014 for Crédit Agricole S.A.**”), which are extracted from the 2014 RD<sup>2</sup>;
- 8 the French and English versions of the audited consolidated financial statements of the Crédit Agricole Group for fiscal year 2014 and related notes and audit report (the “**Consolidated Financial Statements 2014 for the Crédit Agricole Group**”), which are extracted from the update A.01 to the 2014 RD filed with the AMF on 30 March 2015 under no. D.15-0180-A.01 (the “**Update A.01 to the 2014 RD**”)<sup>3</sup>;

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<sup>1</sup> Consolidated Financial Statements 2014 for the Crédit Agricole S.A. Group can be found on pages 291 to 434 of the Issuer’s 2014 Registration Document and the related audit report can be found on page 435 to 436 of the Issuer’s 2014 Registration Document, which may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). The page numbering of the French and English versions of the Issuer’s 2014 Registration Document are identical.

<sup>2</sup> Non-consolidated Financial Statements 2014 for Crédit Agricole S.A. can be found on pages 437 to 484 of the Issuer’s 2014 Registration Document and the related audit report can be found on page 485 of the Issuer’s 2014 Registration Document, which may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). The page numbering of the French and English versions of the Issuer’s 2014 Registration Document are identical.

<sup>3</sup> Consolidated Financial Statements 2014 for the Crédit Agricole Group can be found on pages 145 to 281 of the update A.01 to the Issuer’s 2014 Registration Document and the related audit report can be found on pages 282 to 283 of the update A.01 to the Issuer’s 2014 Registration Document, which may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). The page numbering of the French and English versions of the Issuer’s 2014 Registration Document are identical.

- 9 the French version of the investor presentation, including the appendices (annexes), published by the Issuer on 17 February 2016 relating to the Issuer's and the Crédit Agricole Group's financial results for the 4<sup>th</sup> quarter of 2015 and the 2015 financial year (the **"2015 Results Presentation"**)<sup>4</sup>;
- 10 the French version of the press release published by the Issuer on 9 March 2016 relating to the 2019 Medium Term Plan (the **"2019 Medium Term Plan Press Release"**)<sup>5</sup>;
- 11 the French and English versions of Crédit Agricole S.A.'s 2015 Registration Document, which includes primarily the financial statements at 31 December 2015 of Crédit Agricole S.A. and the Crédit Agricole S.A. Group and was filed with the AMF on 16 March 2016 under no. D.16-0148 (the **"RD"**)<sup>6</sup>;
- 12 the French and English versions of the Update A.01 to the RD of the Issuer which was filed with the AMF on 1 April 2016 under no. D.16-0148-A.01 (the **"A.01"**)<sup>7</sup>;
- 13 the French and English versions of the Update A.02 to the RD of the Issuer which was filed with the AMF on 12 May 2016 under no. D.16-0148-A.02 (the **"A.02"**)<sup>8</sup>;
- 14 the French and English versions of the Update A.03 to the RD of the Issuer which was filed with the AMF on 12 August 2016 under no. D.16-0148-A.03 (the **"A.03"**)<sup>9</sup>;
- 15 the French version of the limited review interim condensed consolidated financial statements of the Crédit Agricole Group as of and for the six months ended 30 June 2016 and related notes and limited review report (the **"2016 Half-Year Financial Report for the Crédit Agricole Group"**)<sup>10</sup>; and
- 16 the French and English versions of the Update A.04 to the RD of the Issuer which was filed with the AMF on 10 November 2016 under no. D.16-0148-A.04 (the **"A.04"**)<sup>11</sup>;

except that:

- (A) the inside cover page of the RD shall not be deemed incorporated herein;
- (B) the section relating to the filing of the RD with the AMF on page 1 of the RD shall not be deemed incorporated herein;
- (C) the introduction on page 96 of the RD and the signature on page 128 of the RD of the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control procedures relating to the preparation and processing of financial and accounting information appearing on pages 96 to 128 of the RD shall not be deemed incorporated herein;
- (D) the report of the statutory auditors on the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control procedures relating to the preparation

<sup>4</sup> Free English translation of the 2015 Results Presentation may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the free English translation of the 2015 Results Presentation is identical to the French version.

<sup>5</sup> Free English translation of the 2019 Medium Term Plan Press Release may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the free English translation of the 2019 Medium Term Plan Press Release is identical to the French version.

<sup>6</sup> RD may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the French and English versions of the RD are identical.

<sup>7</sup> A.01 may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the French and English versions of the A.01 are identical.

<sup>8</sup> A.02 may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the French and English versions of the A.02 are identical.

<sup>9</sup> A.03 may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the French and English versions of the A.03 are identical.

<sup>10</sup> Free English translation of the 2016 Half-Year Financial Report for the Crédit Agricole Group may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the English translation of the 2016 Half-Year Financial Report for the Crédit Agricole Group is identical to the French version.

<sup>11</sup> A.04 may be obtained from the website of the Issuer (<http://www.credit-agricole.com/en/Investor-and-shareholder>). For ease of reference, the page numbering of the French and English versions of the A.04 are identical.



and processing of financial and accounting information on page 129 of the RD shall not be deemed incorporated herein;

- (E) the section under the heading “Contrôle Interne” on page 211 of the RD shall not be deemed incorporated herein;
- (F) the section under the heading “Documents Accessibles au Public” on page 524 of the RD shall not be deemed incorporated herein;
- (G) the statement by Mr Philippe Brassac, Directeur Général of the Issuer, on page 536 of the RD referring to the “lettre de fin de travaux” of the statutory auditors shall not be deemed incorporated herein;
- (H) the cross-reference table on pages 538 to 540 of the RD and notes under the table on page 539 of the RD shall not be deemed incorporated herein;
- (I) the statutory auditors’ special report on related party agreements and commitments on pages 525 to 534 of the RD shall not be deemed incorporated herein;
- (J) the inside cover page of the A.01 shall not be deemed incorporated herein;
- (K) the statement by Mr Philippe Brassac, Directeur Général of the Issuer on page 266 of the A.01 referring to the “*lettre de fin de travaux*” of the statutory auditors shall not be deemed incorporated herein;
- (L) the inside cover page of the A.02 shall not be deemed incorporated herein; and
- (M) the statement by Mr Philippe Brassac, Directeur Général of the Issuer on page 87 of the A.02 referring to the “*lettre de fin de travaux*” of the statutory auditors shall not be deemed incorporated herein;
- (N) the inside cover page of the A.03 shall not be deemed incorporated herein;
- (O) the statement by Mr Philippe Brassac, Directeur Général of the Issuer on page 261 of the A.03 referring to the “*lettre de fin de travaux*” of the statutory auditors shall not be deemed incorporated herein;
- (P) the inside cover page of the A.04 shall not be deemed incorporated herein; and
- (Q) the statement by Mr Philippe Brassac, Directeur Général of the Issuer on page 76 of the A.04 referring to the “*lettre de fin de travaux*” of the statutory auditors shall not be deemed incorporated herein.

Any statement contained in the Documents Incorporated by Reference listed above shall be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise); any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Drawdown Prospectus.

The Documents Incorporated by Reference are available for inspection at the specified offices of each of the Paying Agents, in each case at the address given at the end of this Drawdown Prospectus, and are available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and/or on the website of the Issuer ([www.credit-agricole.com](http://www.credit-agricole.com)).

## CROSS-REFERENCE TABLE

The following table cross-references the pages of the Documents Incorporated by Reference with the main heading required under Annex XI of the Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Any information not listed in the cross-reference list below but included in the Documents Incorporated by Reference is provided for information purposes only.

ANNEX XI	Page no. in the relevant Documents Incorporated by Reference
<b>1</b> <b>Persons responsible</b>	
<b>1.1</b> Persons responsible for the information	536 of RD 266 of A.01 87 of A.02 261 of A.03 76 of A.04
<b>1.2</b> Statements by the persons responsible*	536 of RD* 266 of A.01* 87 of A.02* 261 of A.03* 76 of A.04*
<b>2</b> <b>Statutory auditors</b>	
<b>2.1</b> Names and addresses of the Issuer's auditors (together with their membership of a professional body)	537 of RD 267 of A.01 88 of A.02 262 of A.03 77 of A.04
<b>2.2</b> Change of situation of the auditors	537 of RD 267 of A.01 88 of A.02 262 of A.03 77 of A.04
<b>3</b> <b>Risk Factors</b>	107-110; 121-128; 218-304; 343-355; 376-382; 396-398 ; 487-488 of RD 43-126; 159-170; 192-198; 212-214 of A.01 86 of A.02 87-122; 168-173; 178-181 of A.03 41-56; 61-64 of 2016 Half-Year Financial Report for the Crédit Agricole Group 76 of A.04

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\* The statement by Mr. Philippe Brassac regarding the "*lettre de fin de travaux*" is not incorporated by reference in the Drawdown Prospectus.

<b>4</b>	Information about the Issuer	
<b>4.1</b>	History and development of the Issuer	2-3; 19-21; 212-215; 451; 508 of RD 2019 Medium Term Plan Press Release 141-147; 225; 228 of A.03 23-29; 101 of 2016 Half-Year Financial Report for the Crédit Agricole Group
<b>4.1.1</b>	Legal and commercial name	508 of RD 228 of A.03
<b>4.1.2</b>	Place of registration and registration number	508 of RD 228 of A.03
<b>4.1.3</b>	Date of incorporation and length of life	508 of RD 229 of A.03
<b>4.1.4</b>	Domicile, legal form, legislation, country of incorporation, address and telephone number	508 of RD 228 of A.03
<b>4.1.5</b>	Recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	212-213; 451 of RD 3-69; 71-85; 141-144 of A.03 23-26 of 2016 Half-Year Financial Report for the Crédit Agricole Group
<b>5</b>	Business overview	
<b>5.1</b>	Principal activities	
<b>5.1.1</b>	Description of the Issuer's principal activities	22-34; 186-217; 363-367; 523-524 of RD 2; 6-7; 9-42 of A.01
<b>5.1.2</b>	Indication of significant new products and/or activities	N/A
<b>5.1.3</b>	Description of the Issuer's principal markets	24-34 of RD 179-183 of A.01 157-162 of A.03 39-45 of 2016 Half-Year Financial Report for the Crédit Agricole Group
<b>5.1.4</b>	Competitive position	N/A
<b>6</b>	Organisational structure	
<b>6.1</b>	Description of the group and of the Issuer's position within it	5; 310-315 of RD 3 of A.01 214-224 of A.03 7; 89-100 of 2016 Half-Year Financial Report for the Crédit Agricole Group

<b>6.2</b>	Dependence relationships within the group	312-315; 461-462; 523-534 of RD 141-143 of A.03
<b>7</b>	Trend information	
<b>7.1</b>	Material adverse changes	524 of RD
<b>7.2</b>	Trends reasonably likely to have a material effect on the Issuer's prospects	2-3; 212-215; 451 of RD; 2019 Medium Term Plan Press Release 42; 262 of A.01 72; 86 of A.03
<b>8</b>	Profit forecasts or estimates	N/A
<b>9</b>	Administrative, management and supervisory bodies	
<b>9.1</b>	Information concerning the administrative and management bodies	97-118; 130-147 of RD 85 of A.02 255-258 of A.03 76 of A.04
<b>9.2</b>	Conflicts of interest	97-102; 146 of RD 86 of A.03 89 of 2016 Half-Year Financial Report for the Crédit Agricole Group
<b>10</b>	Major shareholders	
<b>10.1</b>	Information concerning control	5; 10-11; 97; 146; 399 of RD 71; 181 of A.03
<b>10.2</b>	Description of arrangements which may result in a change of control	11 of RD
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## RISK FACTORS

*Prior to making an investment decision, prospective investors should consider carefully all of the information set out and incorporated by reference in this Drawdown Prospectus, including in particular the risk factors set forth below.*

*This section is not intended to be exhaustive and, in particular, the following does not describe all the risks of an investment in the Notes. Prospective investors should make their own independent evaluations of all risk factors, read the detailed information set out elsewhere and incorporated by reference in this Drawdown Prospectus, and consult their own financial and legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.*

### **Risks Relating to the Issuer, its Operations and its Organizational Structure**

The risks factors relating to the Issuer are set out under the heading “*Risk relating to the Issuer and its Operations*” on pages 76 to 84 and the heading “*Risks relating to the Issuer’s Organizational Structure*” on pages 84 and 85 in the section entitled “*Risk Factors*” in the Base Prospectus as supplemented.

### **Risks Relating to the Notes**

The following does not describe all of the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.

#### ***The Notes are complex instruments that may not be suitable for certain investors.***

The Notes are novel and complex financial instruments and may not be a suitable investment for certain investors. Each potential investor in the Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including the possibility that the entire amount invested in the Notes could be lost. A potential investor should not invest in the Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the market value of the Notes, and the impact of this investment on the potential investor’s overall investment portfolio.

#### ***The Notes are senior non-preferred obligations and are junior to certain obligations.***

The Issuer’s obligations under the Notes constitute senior non-preferred obligations within the meaning of Article L.613-30-3-I-4° of the French *Code monétaire et financier* (the “**Senior Non-Preferred Law**”). While the Notes by their terms are expressed to be direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer, they nonetheless rank junior in priority of payment to senior preferred obligations of the Issuer in the case of judicial liquidation. The Issuer’s senior preferred obligations include all of its deposit obligations, its obligations in respect of derivatives and other financial contracts, its unsubordinated debt securities outstanding as of the date of the entry into force of the Senior Non-Preferred Law and all unsubordinated or senior debt securities issued thereafter that are not expressed to be senior non-preferred obligations within the meaning of the Senior Non-Preferred Law.

The amount of the Issuer’s outstanding senior preferred debt securities, the deposit liabilities and the fair market value of derivative liabilities are set forth in the Issuer’s consolidated financial statements (as of the respective dates specified therein) that are incorporated by reference in this Drawdown Prospectus. There is no restriction on the incurrence by the Issuer of additional senior preferred obligations. As a consequence, if the Issuer enters into judicial liquidation proceedings, it will be required to pay substantial amounts of senior preferred obligations before any payment is made in respect of the Notes.

In addition, if the Issuer enters into resolution, its eligible liabilities (including the Notes) will be subject to bail-in, meaning potential write-down or conversion into equity securities or other instruments, in the order of priority that would apply in judicial liquidation proceedings. Because senior non-preferred obligations such as the Notes rank junior to senior preferred obligations, the Notes would be written down or converted in full before any of the Issuer’s senior preferred obligations were written down or converted. See “—*The Notes*



*may be subject to mandatory write-down or conversion to equity under EU and French laws relating to bank recovery and resolution."* below.

As a consequence, holders of the Notes bear significantly more risk than holders of senior preferred obligations, and could lose all or a significant part of their investments if the Issuer were to enter into resolution or judicial liquidation proceedings.

***The Notes do not provide for any events of default.***

In no event will Noteholders be able to accelerate the maturity of their Notes. Accordingly, in the event that any payment on the Notes is not made when due, each Noteholder will have a claim only for amounts then due and payable on their Notes.

***The Notes may be subject to mandatory write-down or conversion to equity under EU and French laws relating to bank recovery and resolution.***

The EU Bank Recovery and Resolution Directive (the "BRRD") and the Single Resolution Mechanism, as transposed into French law by a decree-law (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union Européenne en matière financière*) dated August 20, 2015, provide resolution authorities with the power to "bail-in" eligible liabilities (including senior non-preferred debt instruments, such as the Notes), meaning writing them down or converting them to equity or other instruments, if resolution proceedings are initiated in respect of the issuing institution. In addition to such "bail-in" power, the BRRD provides the resolution authorities with broader powers to implement other resolution measures, which may include the sale of the institution's business, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments. A resolution proceeding may be initiated in respect of an institution if it or the group to which it belongs is failing or likely to fail, there is no reasonable prospect that another measure would avoid such failure within a reasonable time period, and a resolution measure is required to ensure the continuity of critical functions, to avoid a significant adverse effect on the financial system, to protect public funds by minimising reliance on extraordinary public financial support, and to protect client funds and assets, in particular those of depositors. The bail-in power may be exercised by a resolution authority in respect of senior non-preferred obligations, such as the Notes, if the write-down or conversion of capital instruments and subordinated debt (which must occur before the bail-in of senior non-preferred debt) is not sufficient to recapitalize the institution.

The bail-in power could result in the full or partial write down or conversion to equity (or other instruments) of the Notes. In addition, if the Issuer's financial condition, or that of Crédit Agricole Group, deteriorates, or is perceived to deteriorate, the existence of the bail-in power could cause the market value of the Notes to decline more rapidly than would be the case in the absence of such powers.

For further information about the BRRD and related matters, see the section entitled "Government Supervision and Regulation of Credit Institutions in France" in this Drawdown Prospectus.

***Senior non-preferred securities are new types of instruments for which there is no trading history.***

Prior to the entry into force of the Senior Non-Preferred Law on 11 December 2016, French issuers were not able to issue securities with a senior non-preferred ranking. Accordingly, there is no trading history for securities of French banks with this ranking. Market participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non-preferred obligations. The credit ratings assigned to senior non-preferred securities such as the Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of senior non-preferred securities such as the Notes will be lower than those expected by investors at the time of issuance of the Notes. If so, investors may incur losses in respect of their investments in the Notes.

***The qualification of the Notes as MREL/TLAC-Eligible Instruments is subject to uncertainty.***

The Notes are intended to be MREL/TLAC-Eligible Instruments (as defined in Condition 2 (*Interpretation*)) under the Applicable MREL/TLAC Regulations (as defined in Condition 2 (*Interpretation*)). However, there is

uncertainty regarding the final substance of the Applicable MREL/TLAC Regulations, and the Issuer cannot provide any assurance that the Notes will be or remain MREL/TLAC-Eligible Instruments.

“**MREL**” refers to the “minimum requirement for own funds and eligible liabilities” for banking institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Article L.613-44 of the French *Code monétaire et financier*) and Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, or any successor requirement. The purpose of MREL is to ensure that the bail-in powers given to resolution authorities will be effective if they are ever needed by ensuring that institutions maintain a minimum level of own funds and eligible liabilities to which such bail-in powers can be applied.

“**TLAC**” refers to “total loss-absorbing capacity”, a concept under which global systemically important banks (“**G-SIBs**”), such as the Crédit Agricole Group, are expected to be required to maintain a minimum amount of TLAC-eligible instruments that rank junior to certain priority liabilities (including deposits and derivatives). The purpose of the TLAC concept is to increase the chances that a G-SIB’s operations can continue after it enters into resolution, in order to minimize any impact on financial stability and the risk of the G-SIB requiring extraordinary public support, ensure the continuity of critical functions and avoid exposing taxpayers to loss. The TLAC requirements are stated to apply from January 1, 2019.

There currently are no European laws or regulations implementing the TLAC (as defined in Condition 2 (*Interpretation*)) concept, which is set forth in the FSB TLAC Term Sheet (as defined in Condition 2 (*Interpretation*)). The European Commission has recently proposed directives and regulations intended to give effect to the FSB TLAC Term Sheet and to modify the requirements for MREL eligibility. While the Issuer believes that the terms and conditions of the Notes are consistent with the European Commission’s proposals, these proposals have not yet been interpreted and when finally adopted the final Applicable MREL/TLAC Regulations may be different from those set forth in these proposals.

Because of the uncertainty surrounding the substance of the final regulations implementing the TLAC requirements and any potential changes to the regulations giving effect to MREL, the Issuer cannot provide any assurance that the Notes will ultimately be MREL/TLAC-Eligible Instruments. If they are not MREL/TLAC-Eligible Instruments (or if they initially are MREL/TLAC-Eligible Instruments and subsequently become ineligible due to a change in Applicable MREL/TLAC Regulations), then a MREL/TLAC Disqualification Event (as defined in Condition 2 (*Interpretation*)) will occur, with the consequences indicated below.

***The Notes may be redeemed upon the occurrence of a MREL/TLAC Disqualification Event or a Tax Event.***

Subject as provided herein, in particular in Condition 6 (*Redemption and Purchase*), the Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their outstanding principal amount, together with accrued and unpaid interest, upon or following the occurrence of a MREL/TLAC Disqualification Event or a Tax Event.

An optional redemption feature may limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the 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 if the market believes that the Notes may become eligible for redemption in the near term.

If the Issuer redeems the Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Notes or when prevailing interest rates may be relatively low, in which latter case Noteholders (as defined in Condition 2 (*Interpretation*)) may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

***The Issuer will not be required to redeem the Notes if it is prohibited by French law from paying additional amounts.***

In the event that the Issuer is required to withhold amounts in respect of taxes from payments of interest on the Notes, the terms and conditions of the Notes provide that, subject to certain exceptions, the Issuer will pay additional amounts so that the holders of the Notes will receive the amount they would have received in the absence of such withholding. Under French tax law, there is some uncertainty as to whether the Issuer

may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the issuer must redeem the debt instruments in full. However, the above-mentioned European Commission's proposals for the implementation of the FSB TLAC Term Sheet include redemption restrictions that limit the ability of the Issuer to implement such mandatory redemption. Accordingly the terms and conditions of the Notes do not provide for mandatory redemption in the case where the Issuer is required to pay additional amounts but is prohibited by French law from doing so. As a consequence, in such a case, holders will receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected, unless the Issuer is able and willing to redeem the Notes pursuant to one of the early redemption or repurchase options provided for in Condition 6 (*Redemption and purchase*).

***The Notes may be subject to substitution and/or amendment without Noteholder consent.***

Subject as provided herein, in particular to the provisions of Condition 12 (*Substitution and Alignment*) and Condition 13.1 (*Meeting of Noteholders – Modification and Amendment*), if a Tax Event, a MREL/TLAC Disqualification Event or an Alignment Event occurs, the Issuer may, at its option, and without the consent or approval of the Noteholders which may otherwise be required under the terms and conditions of the Notes, elect either (i) to substitute all (but not some only) of the Notes or (ii) to modify the terms of all (but not some only) of such Notes, in each case so that they become or remain Qualifying Notes (as defined in Condition 2 (*Interpretation*)). While Qualifying Notes generally must contain terms that are materially no less favorable to Noteholders as the original terms of the Notes, there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favourable, or that the Qualifying Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms.

Further, prior to the making of any such modification or taking any action as aforementioned in this risk factor, or prior to any substitution, alignment, modification or amendment in a manner contemplated in Conditions 12, or 13.1, the Issuer, shall not be obliged to have regard to the tax position of individual holders of the Notes or to the tax consequences of any such substitution, alignment, modification, amendment or other action for individual holders of Notes. No holder of Notes shall be entitled to claim, whether from the Fiscal Agent, the Issuer, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution, alignment, modification amendment or other action upon individual holders of Notes.

***The terms of the Notes contain a waiver of set-off rights.***

The FSB TLAC Term Sheet and the European Commission's proposals intended to give effect to the FSB TLAC Term Sheet provide that instruments eligible to be counted toward the Minimum TLAC (as defined in the FSB TLAC Term Sheet) of the Issuer, may not be subject to set-off rights that would impact their loss absorbing capacity in resolution. The exercise of set-off rights in respect of the Issuer's obligations under the Notes upon the opening of a resolution procedure would be prohibited by Article 68 of BRRD (as transposed into French law). In addition, the terms of the Notes provide that their holders waive any set-off rights to which they might otherwise be entitled to the extent such rights would otherwise impact the loss absorbing capacity of the Notes. As a result, holders of the Notes will not at any time be entitled to set-off the Issuer's obligations under the Notes against obligations owed by them to the Issuer.

***The terms of the Notes contain very limited covenants.***

There is no negative pledge in respect of the Notes and the terms and conditions of the Notes place no restrictions on the amount of debt that the Issuer may issue that ranks senior to the Notes, or on the amount of securities it may issue that rank *pari passu* with the Notes. The issue of any such debt or securities may reduce the amount recoverable by Noteholders upon liquidation of the Issuer.

In addition, the Notes do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer's ability to use cash to make investments or acquisitions, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise distribute cash to shareholders. Such actions could potentially affect the Issuer's ability to service its debt obligations, including those of the Notes.

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

The market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other Western and other industrialized countries. There can be no assurance that events in France, the United Kingdom (including the uncertainty resulting from the referendum held on 23 June 2016 in which a majority of its voters elected to leave the European Union), Europe, the United States or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect.

***There is no prior market for the Notes.***

There is currently no existing market for the Notes, and there can be no assurance that any market will develop for the Notes or that holders will be able to sell their Notes in the secondary market. There is no obligation to make a market in the Notes.

### ***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. This investment consideration has to be read in connection with the taxation sections of this Drawdown Prospectus and of the Base Prospectus as supplemented incorporated therein.

***Transactions in the Notes could be subject to the European financial transaction tax, if adopted***

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transaction tax (the "**FTT**") in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (the "**Participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, impose a tax at generally not less than 0.1%, generally determined by reference to the amount of consideration paid, on certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The Council of the European Union on Economic and Financial Affairs indicated in June 2016 that work on the FTT would continue during the second half of 2016. On 11 October 2016, Pierre Moscovici, European Commissioner for Economic and Financial Affairs, Taxation, and Customs announced that the ten Participating Member States (excluding Estonia) agreed on certain important measures that will form the core engines of the FTT and indicated their intention to elaborate a draft legislation before the end of the year.

**The FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the Participating Member States may decide to withdraw. Prospective holders of Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.**

***Some of the Managers have engaged in transactions with the Issuer during its ordinary course of business.***

Certain of the Managers (as defined in section “*Subscription and Sale*” in this Drawdown Prospectus) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

***Modification of the terms and conditions of the Notes.***

The terms and conditions of the Notes contain provisions for the calling of meetings of Noteholders to consider matters affecting their interests generally, including the modification of such terms and conditions of the Notes. Those 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.

***Change of law.***

The terms and conditions of the Notes are based on English law, as in effect as at the date of this Drawdown Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or interpretation of such laws or administrative practices after the date of this Drawdown Prospectus.

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

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

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

***A Noteholder’s effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.***

Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Certain tax effects on Noteholders generally in France, in the United Kingdom, in the United States, in Luxembourg, in Italy, in Belgium, in PRC and in Hong-Kong; however, the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. Potential investors are advised not to rely exclusively upon the tax summaries contained in the “*Taxation*” section on page 257 and seq. of the Base Prospectus as supplemented incorporated herein which in any event only cover certain tax consequences in particular jurisdictions, and are not intended to be exhaustive, but to seek advice from their own tax advisers as to their individual taxation situation with respect to an investment in the Notes.

***Return on the Notes may be limited or delayed by the insolvency of the Issuer.***

The return to investors may be limited or delayed if the Issuer were to become insolvent and/or were subject to a mandat ad hoc procedure, conciliation procedure (*procédure de conciliation*), safeguard procedure (*procédure de sauvegarde*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), judicial reorganization (*redressement judiciaire*) or a liquidation procedure (*liquidation judiciaire*).

The 1988 Guarantee may be called upon if the assets of Crédit Agricole S.A. in a liquidation or dissolution procedure are insufficient, but not in the context of other insolvency procedures. For further details regarding the guarantee, please refer to the risk factor “*The practical benefit of the guarantee granted by the Regional Banks may be limited by the implementation of new French and European resolution regimes, which would prioritise resolution before liquidation.*” on page 85 of the Base Prospectus as supplemented incorporated therein.

Application of French insolvency law could affect the Issuer’s ability to make payments on the Notes. Under French insolvency law holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a safeguard procedure, accelerated financial safeguard procedure or a judicial reorganization procedure or an accelerated safeguard procedure is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under the EMTN Programme and regardless of their ranking and their governing law.

The Assembly deliberates on any proposed safeguard plan, proposed accelerated financial safeguard plan or proposed judicial reorganization plan applicable to the Issuer and may further agree to:

- Partially or totally reschedule payments which are due and/or write-off debts and/or convert debts into equity (including with respect to amounts owed under the Notes); and/or
- Establish an unequal treatment between holders of debt securities (including the holders of the Notes) as appropriate under the circumstances.

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the amount of debt securities held by the holders attending such Assembly or represented thereat who have cast a vote at such Assembly). No quorum is required to hold the Assembly.

The receiver (*administrateur judiciaire*) is allowed to take into account the existence of voting or subordination agreements entered into by a holder of notes, or the existence of an arrangement providing that a third party will pay the holder’s claims, in full or in part, in order to reduce such holder’s voting rights within the Assembly. The receiver must disclose the method to compute such voting rights and the interested holder may dispute such computation before the president of the competent commercial court. These provisions could apply to a Noteholder who has entered into a hedging arrangement in relation to the Notes.

For the avoidance of doubt, the provisions relating to the meetings of the holders of the Notes set out in Condition 13.1 (*Meeting of Noteholders – Modification and Amendment*) and contained in the Agency Agreement (as defined in Condition 2 (*Interpretation*)) will not be applicable in these circumstances.

Please refer to the risk factor “*The Notes may be subject to mandatory write-down or conversion to equity under EU and French law relating to bank recovery and resolution*”, and the section entitled “*Government Supervision and Regulation of Credit Institutions in France*” in this Drawdown Prospectus, for a description of resolution measures including, critically, the bail-in, which can be implemented under the French banking reform and the BRRD.

### ***Interest rate risks***

Investment in fixed rate notes involves the risk that subsequent changes in market interest rates may adversely affect the value of such fixed rate notes.

### ***Foreign currency notes expose investors to foreign-exchange risk as well as to issuer risk.***

As purchasers of foreign currency notes, investors are exposed to the risk of changing foreign exchange rates. This risk is in addition to any performance risk that relates to the Issuer or the type of Note being issued.

The Issuer will pay principal and interest on the Notes in the relevant specified currency indicated in the terms and conditions of the Notes (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. Such risks generally depend on a number of factors, including financial, economic and political events over which the Issuer has no control. 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.

### ***Any decline in the credit ratings of the Issuer or changes in rating methodologies may affect the market value of the Notes***

One or more independent credit rating agencies may assign credit ratings of the Issuer with respect to the Notes. The credit ratings of the Issuer are an assessment of its ability to pay its obligations, including those on Notes. Consequently, actual or anticipated declines in the credit ratings of the Issuer may affect the market value of the Notes.

The credit 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. In addition, the credit rating agencies may change their methodologies for rating securities with features similar to the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called “notching”. If the rating agencies were to change their practices for rating such securities in the future and/or the ratings of the Notes were to be subsequently lowered, revised, suspended or withdrawn, this may have a negative impact on the trading price of the Notes.

### ***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 prospective investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, the Managers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

## GOVERNMENT SUPERVISION AND REGULATION OF CREDIT INSTITUTIONS IN FRANCE

### French Banking Regulatory and Supervisory Bodies

French banking law is mostly set forth in directly applicable EU regulations and in the French *Code monétaire et financier* which mainly derives from EU directives and guidelines. The French *Code monétaire et financier* sets forth the conditions under which credit institutions, including banks, may operate, and vests related supervisory and regulatory powers in certain banking regulatory and supervisory bodies.

#### *The French Supervisory Banking Authorities*

In France, the *Autorité de contrôle prudentiel et de résolution* (“**ACPR**”) was created in September 2013 to supervise financial institutions and insurance firms and be in charge of ensuring the protection of consumers and the stability of the financial system. On 15 October 2013, the European Union adopted Regulation (EU) No 1024/2013 establishing a single supervisory mechanism for credit institutions of the euro-zone and opt-in countries (the “**ECB Single Supervisory Mechanism**”), which has conferred specific tasks on the European Central Bank (the “**ECB**”) concerning policies relating to the prudential supervision of credit institutions. This European regulation has given to the ECB, in conjunction with the relevant national regulatory authorities, direct supervisory authority for certain European credit institutions and banking groups, including the Crédit Agricole Group.

Since 4 November 2014, the ECB has fully assumed supervisory tasks and responsibilities within the framework of the ECB Single Supervisory Mechanism, in close cooperation, in France, with the ACPR (each of the ACPR and the ECB is hereinafter referred to as a “**Supervisory Banking Authority**”), as follows:

- The ECB is exclusively competent to carry out, for prudential supervisory purposes, the following tasks in relation to all credit institutions, regardless of the significance of the credit institution concerned:
  - to authorise credit institutions and to withdraw authorization of credit institutions; and
  - to assess notifications of the acquisition and disposal of qualifying holdings, in other credit institutions, except in the case of a bank resolution.
- The other supervisory tasks are performed by both the ECB and the ACPR, their respective supervisory roles and responsibilities being allocated on the basis of the significance of the supervised entities, with the ECB directly supervising significant banks, such as the Crédit Agricole Group, while the ACPR is in charge of the supervision of the less significant entities. These supervisory tasks include, *inter alia*, the following:
  - to ensure compliance with all prudential requirements laid down in general EU banking rules for credit institutions in the areas of own funds requirements, securitisation, large exposure limits, liquidity, leverage, reporting and public disclosure of information on such matters;
  - to carry out supervisory reviews, including stress tests and their possible publication, and the basis of this supervisory review, to impose where necessary on credit institutions higher prudential requirements to protect financial stability under the conditions provided by EU law;
  - to impose robust corporate governance practices (including the fit and proper requirements for the persons responsible for the management process, internal control mechanisms, remuneration policies and practices) and effective internal capital adequacy assessment processes; and
  - to carry out supervisory tasks in relation to recovery plans, and early intervention where credit institutions or group does not meet or is likely to breach the applicable prudential requirements, including structural changes required to prevent financial stress or failure but excluding, however, resolution measures.
- The ACPR may apply requirements for capital buffers to be held by credit institutions at the relevant level, in addition to own funds requirements (including countercyclical buffer rates). If deemed



necessary, the ECB may, instead of the ACPR but by cooperating closely with it, apply such higher requirements.

### *Supervisory framework*

With respect to the banking sector, and for the purposes of carrying out the tasks conferred on it, the relevant Supervisory Banking Authority makes individual decisions, grants banking and investment firm licenses, and grants specific exemptions as provided in applicable banking regulations. It supervises the enforcement of laws and regulations applicable to banks and other credit institutions, as well as investment firms, and controls their financial standing.

Banks are required to submit periodic (either monthly or quarterly) accounting reports to the relevant Supervisory Banking Authority concerning the principal areas of their activities. The main reports and information filed by institutions with the relevant Supervisory Banking Authority include periodic regulatory reports, collectively referred to as *états périodiques réglementaires*. They include, among other things, the institutions' accounting and prudential (regulatory capital) filings, which are usually submitted on a quarterly basis, as well as internal audit reports filed once a year, all of the documents examined by the institution's management in its twice-yearly review of the business and operations and the internal audit findings and the key information that relates to the credit institution's risk analysis and monitoring. The relevant Supervisory Banking Authority may also request additional information that it deems necessary and may carry out on-site inspections (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements). These reports and controls allow close monitoring of the condition of each bank and also facilitate computation of the total deposits of all banks and their use.

The relevant Supervisory Banking Authority may order financial institutions to comply with applicable regulations and to cease conducting activities that may adversely affect the interests of its clients. The relevant Supervisory Banking Authority may also require a financial institution to take measures to strengthen or restore its financial situation, improve its management methods and/or adjust its organization and activities to its development goals. When a financial institution's solvency or liquidity, or the interests of its clients are or could be threatened, the relevant Supervisory Banking Authority is entitled to take certain provisional measures, including: submitting the institution to special monitoring and restricting or prohibiting the conduct of certain activities (including deposit-taking), the making of certain payments, the disposal of assets, the distribution of dividends to its shareholders, and/or the payment of variable compensation. The relevant Supervisory Banking Authority may also require credit institutions to maintain regulatory capital and/or liquidity ratios higher than those required under applicable law and submit to specific liquidity requirements, including restrictions in terms of asset/liability maturities mismatch.

Where regulations have been violated, the relevant Supervisory Banking Authority may impose administrative sanctions, which may include warnings, fines, suspension or dismissal of managers and deregistration of the bank, resulting in its winding up. The relevant Supervisory Banking Authority also has the power to appoint a temporary administrator to manage provisionally a bank that it deems to be mismanaged. Insolvency proceedings may be initiated against banks or other credit institutions, or investment firms only after prior approval of the relevant Supervisory Banking Authority.

### ***The Resolution Authority***

In France, the ACPR is in charge of implementing measures for the prevention and resolution of banking crises, including, but not limited to, the Bail-In Tool described below. See "*Resolution Measures*" below.

As from 1 January 2016, a single resolution board (the "**Single Resolution Board**") established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism and a single resolution fund (the "**Single Resolution Mechanism Regulation**"), together with national authorities, are in charge of resolution planning and preparation of resolution decisions for cross-border credit institutions and banking groups as well as credit institutions and banking groups directly supervised by the ECB such as the Crédit Agricole Group. The ACPR will remain responsible for implementing the resolution plan according to the Single Resolution Board's instructions.

The “**Relevant Resolution Authority**” shall hereinafter mean the ACPR, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation and/or any other authority entitled to exercise or participate in the exercise of any bail-in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

### **Other French Banking Regulatory and Supervisory Bodies**

The Financial Sector Consultative Committee (*Comité consultatif du secteur financier*) is made up of representatives of credit institutions, financing companies, electronic money institutions, payment institutions, investment firms, insurance companies and insurance brokers and client representatives. This committee is a consultative organization that studies the relations between the abovementioned entities and their respective clientele and proposes appropriate measures in this area.

The Consultative Committee on Financial Legislation and Regulations (*Comité consultatif de la législation et de la réglementation financières*) reviews, at the request of the French Minister of Economy, any draft bills or regulations, as well as any draft European regulations relating to the insurance, banking, electronic money, payment service and investment service industries other than those draft regulations issued by the AMF.

In addition, all French credit institutions are required to belong to a professional organization or central body affiliated with the French Credit Institutions and Investment Firms Association (*Association française des établissements de crédit et des entreprises d'investissement*), which represents the interests of credit institutions, financing companies, electronic money institutions, payment institutions and investment firms in particular with the public authorities, provides consultative advice, disseminates information, studies questions relating to banking and financial services activities and makes recommendations in connection therewith. Crédit Agricole is a member of the French Banking Association (*Fédération bancaire française*) which is itself affiliated to the French Credit Institutions and Investment Firms Association.

### **Banking Regulations**

In France, credit institutions such as the Issuer must comply with the norms of financial management set by the Minister of Economy, the purpose of which is to ensure the creditworthiness and liquidity of French credit institutions. These banking regulations are mainly derived from EU directives and regulations. New banking regulations implementing the Basel III reforms were adopted on 26 June 2013: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the “**CRD IV Directive**”) and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “**CRD IV Regulation**” and together with the CRD IV Directive, “**CRD IV**”). The CRD IV Regulation (with the exception of some of its provisions, which will enter into effect at later dates) became directly applicable in all EU member states including France on 1 January 2014. The CRD IV Directive became effective on 1 January 2014 (except for capital buffer provisions which became applicable as from 1 January 2016) and was implemented under French law by the banking reform dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*).

Credit institutions such as the Issuer must comply with minimum capital ratio requirements. In addition to these requirements, the principal regulations applicable to credit institutions such as the Issuer concern risk diversification and liquidity, monetary policy, restrictions on equity investments and reporting requirements.

French credit institutions are required to maintain minimum capital to cover their credit, market, counterparty and operational risks. Since 1 January 2014, pursuant to the CRD IV Regulation, credit institutions, such as the Crédit Agricole Group are required to maintain a minimum total capital ratio of 8%, a minimum tier 1 capital ratio of 6% and a minimum common equity tier 1 ratio of 4.5%, each to be obtained by dividing the institution's relevant eligible regulatory capital by its risk-weighted assets. The Supervisory Banking Authority may also require French credit institutions to maintain capital in excess of the requirements described above. In addition, they will have to comply with certain common equity tier 1 buffer requirements, including a capital conservation buffer of 2.5% that will be applicable to all institutions as well as other common equity tier 1 buffers to cover countercyclical and systemic risks. These buffer requirements will be implemented progressively until 2019.

French credit institutions must satisfy, on a consolidated basis, certain restrictions relating to concentration of risks (*ratio de contrôle des grands risques*). The aggregate of a French credit institution's loans and a portion of certain other exposures (*risques*) to a single customer (and related entities) may not exceed 25% of the credit institution's eligible capital and, with respect of exposures to certain financial institution, the higher of 25% of the credit institution's eligible capital and €150 million. Certain individual exposures may be subject to specific regulatory requirements.

Each French credit institution is required to calculate, as of the end of each month, the ratio of the weighted total of certain of its short-term and liquid assets to the weighted total of its short-term liabilities. This liquidity ratio (*coefficient de liquidité*) is required to exceed 100% at all times. French credit institutions are entitled to opt for the "advanced" approach with respect to liquidity risk, upon request to the relevant Supervisory Banking Authority and under certain conditions. Under the advanced approach, the credit institution is able to use its internal methodologies to determine the liquidity risk and ensure that it has sufficient liquidity at all times to honor its commitments. The CRD IV Regulation introduces liquidity requirements from 2015, after an initial observation period. Institutions will be required to hold liquid assets, the total value of which would cover the net liquidity outflows that might be experienced under gravely stressed conditions over a period of 30 calendar days. This liquidity coverage ratio ("**LCR**") will be phased-in gradually, starting at 60% in 2015 and reaching 100% in 2018. Until the LCR is fully introduced, EU member states may maintain or introduce national liquidity requirements.

Under the CRD IV Regulation, it is expected that each institution will be required to maintain a leverage ratio beginning on 1 January 2018, at the level that will be implemented by the Council and European Parliament following an initial observation period that began on 1 January 2015, during which institutions will be required to disclose their leverage ratio. On 23 November 2016, the European Commission proposed amendments to the CRD IV Regulation that, among other things, would impose a minimum leverage ratio defined as an institution's tier 1 capital divided by its total exposure measure, of 3%.

The Issuer's commercial banking operations in France are also significantly affected by monetary policies established from time to time by the ECB in coordination with the *Banque de France*. Commercial banking operations, particularly in their fixing of short-term interest rates, are also affected in practice by the rates at which the *Banque de France* intervenes in the French domestic interbank market.

French credit institutions are subject to restrictions on equity investments and, subject to various specified exemptions for certain short-term investments and investments in financial institutions and insurance companies, "qualifying shareholdings" held by credit institutions must comply with the following requirements: (a) no "qualifying shareholding" may exceed 15% of the regulatory capital of the concerned credit institution and (b) the aggregate of such "qualifying shareholdings" may not exceed 60% of the regulatory capital of the concerned credit institution. An equity investment is a "qualifying shareholding" for the purposes of these provisions if (i) it represents more than 10% of the share capital or voting rights of the company in which the investment is made or (ii) it provides, or is acquired with a view to providing, a "significant influence" (*influence notable*, presumed when the credit institution controls at least 20% of the voting rights) in such company. Further, the ECB must authorize certain participations and acquisitions.

French regulations permit only licensed credit institutions to engage in banking activities on a regular basis. Similarly, institutions licensed as banks may not, on a regular basis, engage in activities other than banking, bank-related activities and a limited number of non-banking activities determined pursuant to the regulations issued by the French Minister of Economy. A regulation issued in November 1986 and amended from time to time sets forth an exhaustive list of such non-banking activities and requires revenues from those activities to be limited in the aggregate to a maximum of 10% of total net revenues.

Finally, the CRD IV Regulation imposes disclosure obligations on credit institutions relating to risk management objectives and policies, governance arrangements, capital adequacy requirements and remuneration policies that have a material impact on the risk profile and leverage. In addition, the French *Code monétaire et financier* imposes additional disclosure requirements to credit institutions, including disclosure relating to certain financial indicators, their activities in non-cooperative states or territories, and more generally, certain information on their overseas operations.

### *Examination*

In addition to the resolution powers set out below, the principal means used by the relevant Supervisory Banking Authority to ensure compliance by large deposit banks with applicable regulations is the examination of the detailed periodic (monthly or quarterly) financial statements, *états périodiques réglementaires* and other documents that these banks are required to submit to the relevant Supervisory Banking Authority. In the event that any examination were to reveal a material adverse change in the financial condition of a bank, an inquiry would be made, which could be followed by an inspection. The relevant Supervisory Banking Authority may also inspect banks (including with respect to a bank's foreign subsidiaries and branches, subject to international cooperation agreements) on an unannounced basis.

### *Deposit Guarantees*

All credit institutions operating in France are required by law to be a member of the deposit and resolution guarantee fund (*Fonds de garantie des dépôts et de résolution*), except branches of European Economic Area banks that are covered by their home country's guarantee system. Domestic customer deposits denominated in euro and currencies of the European Economic Area are covered up to an amount of €100,000 and securities up to an aggregate value of €70,000, in each case per customer and per credit institution. The contribution of each credit institution is calculated on the basis of the aggregate deposits and of the risk exposure of such credit institution.

### *Additional Funding*

The governor of the *Banque de France*, as chairman of the ACPR, after requesting the opinion of the ECB, can request that the shareholders of a credit institution in financial difficulty fund the institution in an amount that may exceed their initial capital contribution. However, unless they have agreed to be bound by an express undertaking to the ACPR, credit institution shareholders have no legal obligation in this respect and, as a practical matter, such a request would likely be made to holders of a significant portion of the institution's share capital.

### *Internal Control Procedures*

French credit institutions are required to establish appropriate internal control systems, including with respect to risk management and the creation of appropriate audit trails. French credit institutions are required to have a system for analyzing and measuring risks in order to assess their exposure to credit, market, global interest rate, intermediation, liquidity and operational risks. Such system must set forth criteria and thresholds allowing the identification of significant incidents revealed by internal control procedures. Any fraud generating a gain or loss of a gross amount superior to 0.5% of the Tier 1 capital is deemed significant provided that such amount is greater than €10,000.

With respect to credit risks, each credit institution must have a credit risk selection procedure and a system for measuring credit risk that permit, *inter alia*, centralization of the institution's on- and off-balance sheet exposure and for assessing different categories of risk using qualitative and quantitative data. With respect to market risks, each credit institution must have systems for monitoring, among other things, its proprietary transactions that permit the institution to record on at least a day-to-day basis foreign exchange transactions and transactions in the trading book, and to measure on at least a day-to-day basis the risks resulting from trading positions in accordance with the capital adequacy regulations. The institution must prepare an annual report for review by the institution's board of directors and the relevant Supervisory Banking Authority regarding the institution's internal procedures and the measurement and monitoring of the institution's exposure.

### *Compensation Policy*

French credit institutions and investment firms are required to ensure that their compensation policy is compatible with sound risk management principles. A significant portion of the compensation of employees whose activities may have a significant impact on the institution's risk exposure must be performance-based and a significant fraction of this performance-based compensation must be non-cash and deferred. Under the CRD IV Directive as implemented under French law, the aggregate amount of variable compensation of the above-mentioned employees cannot exceed the aggregate amount of their fixed salary; the shareholders' meeting may, however, decide to increase this cap to two times their fixed salary.

## *Money Laundering*

French credit institutions are required to report to a special government agency (TRACFIN) placed under the authority of the French Minister of Economy all amounts registered in their accounts that they suspect come from drug trafficking or organized crime, from unusual transactions in excess of certain amounts, as well as all amounts and transactions that they suspect to be the result of any offense punishable by a minimum sentence of at least one-year imprisonment or that could participate in the financing of terrorism.

French credit institutions are also required to establish “know your customer” procedures allowing identification of the customer (as well as the beneficial owner) in any transaction and to have in place systems for assessing and managing money laundering and terrorism financing risks in accordance with the varying degree of risk attached to the relevant clients and transactions.

## **Resolution Measures**

On 15 May 2014, the European Parliament and the Council of the European Union adopted Directive 2014/59/EU of the European Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”). The stated aim for the BRRD is to provide relevant resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses.

The BRRD was implemented in France through a decree-law (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) dated 20 August 2015.

### *Resolution*

Under the French *Ordonnance*, the Relevant Resolution Authority (see “*The Resolution Authority*” above) may commence resolution proceedings in respect of an institution when the Relevant Resolution Authority determines that:

- the institution is failing or likely to fail;
- there is no reasonable prospect that another action will prevent the failure within a reasonable time; and
- a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution: (i) to ensure the continuity of critical functions, (ii) to avoid a significant adverse effect on the financial system, (iii) to protect public funds by minimising reliance on extraordinary public financial support, and (iv) to protect client funds and assets, and in particular those of depositors

Failure of an institution means that it does not respect requirements for continuing authorization, it is unable to pay its debts or other liabilities when they fall due, it requires extraordinary public financial support (subject to limited exceptions), or the value of its liabilities exceeds the value of its assets.

After resolution proceedings are commenced, the Relevant Resolution Authority may use one or more of several resolution tools with a view to recapitalizing or restoring the viability of the institution, as described below. Resolution tools are to be implemented so that shareholders bear losses first, then holders of capital instruments qualifying as additional tier 1 and tier 2 instruments, and thereafter creditors bear losses in accordance with the order of their claims in normal insolvency proceedings, subject to certain exceptions. French law also provides for certain safeguards when certain resolution tools and measures are implemented including the “no creditor worse off than under normal insolvency proceedings” principle, whereby creditors of the institution under resolution should not incur greater losses than they would have incurred had the institution been wound up under a liquidation proceeding.

### *Limitation on Enforcement*

Article 68 of BRRD, as transposed in France, provides that certain crisis prevention measures and crisis management measures, including the opening of a resolution proceeding in respect of the Issuer, may not by themselves give rise to a contractual enforcement right against the Issuer or the right to modify the Issuer's obligations, so long as the Issuer continues to meet its payment obligations. Accordingly, if a resolution

proceeding is opened in respect of the Issuer, holders of the Notes will not have the right to declare an event of default, to accelerate the maturity of the Notes, to exercise other enforcement rights in respect of the Notes or to modify the terms of the Notes, so long as the Issuer continues to meet its payment obligations.

#### *Write-Down and Conversion of Capital Instruments*

Capital instruments may be written down or converted to equity or other instruments either in connection with (and prior to) the opening of a resolution proceeding, or in certain other cases described below (without a resolution proceeding). Capital instruments for these purposes include common equity tier 1, additional tier 1 and tier 2 instruments.

The Relevant Resolution Authority must write down capital instruments, or convert them to equity or other instruments, if it determines that the conditions for the initiation of a resolution procedure have been satisfied, the viability of the issuing institution or its group depends on such write-down or conversion, or the issuing institution or its group requires extraordinary public support (subject to certain exceptions). The principal amount of capital instruments may also be written down or converted to equity or other instruments if (i) the issuing institution or the group to which it belongs is failing or likely to fail and the write-down or conversion is necessary to avoid such failure, (ii) the viability of the institution depends on the write-down or conversion (and there is no reasonable perspective that another measure, including a resolution measure, could avoid the failure of the issuing institution or its group in a reasonable time), or (iii) the institution or its group requires extraordinary public support (subject to certain exceptions). The failure of an issuing institution is determined in the manner described above. The failure of a group is considered to occur or be likely if the group breaches its consolidated capital ratios or if such a breach is likely to occur in the near term, based on objective evidence (such as the incurrence of substantial losses that are likely to deplete the group's own funds).

If one or more of these conditions is met, common equity tier 1 instruments are first written down, transferred to creditors or, if the institution enters resolution and its net assets are positive, significantly diluted by the conversion of other capital instruments and eligible liabilities. Once this has occurred, other capital instruments (first additional tier 1 instruments, then tier 2 instruments) are either written down or converted to common equity tier 1 instruments or other instruments (which are also subject to possible write-down).

#### *The Bail-In Tool*

Once a resolution procedure is initiated, the powers provided to the Relevant Resolution Authority include the **"Bail-in Tool"**, meaning the power to write down eligible liabilities of a credit institution in resolution, or to convert them to equity. Eligible liabilities include subordinated debt instruments not qualifying as capital instruments, unsecured senior non-preferred debt instruments (such as the Notes) and unsecured senior preferred debt instruments. The Bail-in Tool may also be applied to any liabilities that are capital instruments and that remain outstanding at the time the Bail-in Tool is applied.

Before the Relevant Resolution Authority may exercise the Bail-in Tool in respect of eligible liabilities, capital instruments must first be written down or converted to equity or other instruments, in the following order of priority: (i) common equity tier 1 instruments are to be written down first, (ii) other capital instruments (additional tier 1 instruments) are to be written down or converted into common equity tier 1 instruments, (iii) tier 2 capital instruments are to be written down or converted to common equity tier 1 instruments. Once this has occurred, the Bail-in Tool may be used to write down or convert eligible liabilities as follows: (i) subordinated debt instruments other than capital instruments are to be written down or converted into common equity tier 1 instruments in accordance with the hierarchy of claims in normal insolvency proceedings, and (ii) other eligible liabilities (such as the Notes) are to be written down or converted into common equity tier 1 instruments, in accordance with the hierarchy of claims in normal insolvency proceedings. In this regard, the Notes would be written down or converted to equity before any senior preferred obligations of the Issuer. Instruments of the same ranking are generally written down or converted into equity on a pro rata basis.

As a result of the foregoing, even if notes qualifying as tier 2 instruments are not fully written down or converted prior to the opening of a resolution procedure, if the Relevant Resolution Authority decides to implement the Bail-in Tool as part of the implementation of such resolution procedure, the principal amount of such tier 2 instruments must first be fully written down or converted to equity. In addition, common equity

Tier 1 instruments into which tier 2 instruments were previously converted would also be subject to write-down prior to the application of the Bail-in Tool.

#### *Other resolution measures*

In addition to the Bail-In Tool, the Relevant Resolution Authority is provided with broad powers to implement other resolution measures with respect to failing institutions or, under certain circumstances, their groups, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a temporary administrator (*administrateur spécial*) and the issuance of new equity or own funds.

When using its powers, the Relevant Resolution Authority must take into account the situation of the concerned group or institution under resolution and potential consequences of its decisions in the concerned Member States.

#### *Recovery and resolution plans*

Each institution or group must prepare a recovery plan (*plan préventif de rétablissement*) that will be reviewed by the Supervisory Banking Authority. This obligation should not arise with respect to an entity within the group that is already supervised on a consolidated basis. The Relevant Resolution Authority is in turn required to prepare a resolution plan (*plan préventif de résolution*) for such institution or group:

- a) Recovery plans must set out measures contemplated in case of a significant deterioration of an institution's financial situation. Such plans must be updated on a yearly basis (or immediately following a significant change in an institution's organization or business). The Supervisory Banking Authority must assess the recovery plan to determine whether the implementation of the arrangements proposed is reasonably likely to maintain or restore the viability and financial position of the institution or of the group, also review whether the plan could impede the resolution powers if a resolution is commenced, and, as necessary, can require modifications or request changes in an institution's organization.
- b) Resolution plans prepared by the Relevant Resolution Authority must set out, in advance of any failure, how the various resolution powers set out above are to be implemented for each institution, given its specific circumstances. Such plans must also be updated on a yearly basis (or immediately following a significant change in an institution's organization or business).

#### *The Single Resolution Fund*

As of 1 January 2016, the Single Resolution Mechanism Regulation provides for the establishment of a single resolution fund that may be used by the Single Resolution Board to support a resolution plan (the "**Single Resolution Fund**"). The Single Resolution Fund has replaced national resolution funds implemented pursuant to the BRRD with respect to significant banks such as the Issuer. This Single Resolution Fund is financed by contributions raised from banks (such contributions shall be based on the amount of each bank's liabilities, excluding own funds and covered deposits, and adjusted for risks). The Single Resolution Fund will be gradually built up during an eight-year period (2016-2023) and shall reach at least 1% of covered deposits by December 31, 2023. At 30 June 2016, the Single Resolution Fund had €10.7 billion available.

#### **MREL and TLAC**

To ensure that the Bail-in Tool will be effective if it is ever needed, institutions are required to maintain a minimum level of own funds and eligible liabilities, calculated as a percentage of their own funds and total liabilities. The percentage will be determined for each institution by the Relevant Resolution Authority. This minimum level is known as the "minimum requirement for own funds and eligible liabilities" or "**MREL**" and is to be set in accordance with Article 45 of the BRRD and Commission Delegated Regulation (EU) 2016/1450 of May 23, 2016. Resolution Authorities may determine an appropriate transitional period to reach the final MREL.

On 9 November 2015, the Financial Stability Board proposed that “Global Systemically Important Banks” (including the Crédit Agricole Group) maintain significant amounts of liabilities that are subordinated (by law, contract or structurally) to certain priority liabilities, such as guaranteed or insured deposits and derivatives. These so-called “**TLAC**” (or “total loss-absorbing capacity”) requirements are intended to ensure that losses are absorbed by shareholders and creditors, other than creditors in respect of priority liabilities, rather than being borne by government support systems. The TLAC requirement will impose a level of “Minimum TLAC” that will be determined individually for each Global Systemically Important Bank, and that will be at least equal to (i) 16% of risk-weighted assets beginning 1 January 2019, and 18% of risk-weighted assets beginning 1 January 2022, and (ii) 6% of the Basel III leverage ratio denominator beginning 1 January 2019, and 6.75% beginning 1 January 2022 (each of which could be extended by additional firm-specific requirements or buffer requirements). The TLAC requirements will, if adopted and implemented in France, apply in addition to capital requirements applicable to the Crédit Agricole Group. The TLAC requirements may be adopted as part of the MREL requirements described above, or they may apply in addition to the MREL requirements.

On 23 November 2016, the European Commission proposed amendments to the CRD IV Regulation and the BRRD that, among other things, would give effect to the FSB TLAC Term sheet and modify the requirements applicable to MREL. While the Issuer believes that the terms and conditions of the Notes are consistent with the European Commission’s proposals, these proposals have not yet been interpreted and, when finally adopted, the final Applicable MREL/TLAC Regulations may be different from those set forth in these proposals.

French law was amended on 9 December 2016 to allow French credit institutions to issue TLAC-eligible instruments ranking senior to ordinary subordinated instruments. Pursuant to this modification, Article L.613-30-3-I-4° of the French *Code monétaire et financier* provides that debt securities issued by any French credit institution after 11 December 2016, with a minimum maturity of one year and whose terms and conditions provide that their ranking is as set forth in Article L.613-30-3-I-4° shall rank junior to any other non-subordinated liability of such credit institution in a judicial liquidation proceeding. See Condition 4 (*Status of the Notes*).



## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes (the “**Conditions**”) and shall supersede and replace in their entirety (for the purposes of the Notes only) the “Terms and Conditions of the English Law Notes” set out in Schedule 2 Part C to the Agency Agreement (as defined below). The Conditions shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Notes (as defined in the Agency Agreement) representing the Notes. These Conditions will be attached to or incorporated by reference into each Global Note and will be endorsed on each definitive Note. In the event of an inconsistency between the Agency Agreement and the Conditions, the Conditions will prevail.*

### 1. Introduction

- 1.1. *Notes:* The issue of the Euro (“**EUR**”) 1,500,000,000 1.875 per cent. senior non-preferred notes due 20 December 2026 (the “**Notes**” or the “**Senior Non-Preferred Notes**”, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes) of Crédit Agricole S.A., acting through its London branch (the “**Issuer**”) was decided on 13 December 2016 by Olivier Bélorgey, *Directeur de la Gestion Financière* of Crédit Agricole S.A., acting pursuant to resolutions of the board of directors (*conseil d’administration*) of Crédit Agricole S.A. dated 8 March 2016.
- 1.2. *Agency Agreement:* The Notes are issued pursuant to and with the benefit of the Amended and Restated Agency Agreement dated 23 March 2016 as supplemented by a supplemental agency agreement dated 14 December 2016 (as further supplemented, amended and/or replaced from time to time, the “**Agency Agreement**”) between Crédit Agricole S.A. as issuer, fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), CACEIS Bank Luxembourg as additional paying agent (the “**Additional Paying Agent**”, which expression includes any successor additional paying agent appointed from time to time in connection with the Notes), CACEIS Corporate Trust as Paris Paying Agent (the “**Paris Paying Agent**”, which expression includes any successor Paris paying agent appointed from time to time in connection with the Notes) and the other agents named in it. Reference below to the “**Agents**” shall be to the Fiscal Agent and/or the Principal Paying Agent, and/or the Additional Paying Agent and/or the Paris Paying Agent, as the case may be. Reference below to the “**Paying Agent**” shall be to the Principal Paying Agent, and/or Additional Paying Agent, and/or Paris Paying Agent, as the case may be. Copies of the Agency Agreement are available for inspection at the specified offices of the Agents.
- 1.3. *Deed of Covenant:* The Holders (as defined below) are entitled to the benefit of the Amended and Restated Deed of Covenant dated 23 March 2016 as supplemented by a supplemental deed of covenant dated 14 December 2016 (as further supplemented, amended and/or replaced from time to time, the “**Deed of Covenant**”) executed by Crédit Agricole S.A.
- 1.4. *ICSDs Agreement:* The Notes are issued pursuant to and with the benefit of the agreement with respect to the Notes to be issued in New Global Note form or NSS securities entered into by the Issuer with Euroclear (as defined below) and Clearstream, Luxembourg (as defined below) on 26 May 2010 (the “**ICSDs Agreement**”).

References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

### 2. Interpretation

- 2.1. *Definitions:* In these Conditions the following expressions have the following meanings:  
  
“**Additional Paying Agent**” shall have the meaning ascribed to it in Condition 1 (*Introduction*).  
  
“**Agents**” shall have the meaning ascribed to it in Condition 1 (*Introduction*).

An “**Alignment Event**” shall be deemed to have occurred if the Applicable MREL/TLAC Regulations have been amended to permit an instrument of the Issuer with New Terms to be treated as an MREL/TLAC-Eligible Instrument.

“**AMF**” means the French *Autorité des Marchés Financiers*.

“**Amounts Due**” shall have the meaning ascribed to it in Condition 19 (*Bail-in*).

“**Applicable MREL/TLAC Regulations**” means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to (i) MREL and (ii) the principles set forth in the FSB TLAC Term Sheet or any successor principles. If there are separate laws, regulations, requirements, guidelines and policies giving effect to the principles described in (i) and (ii), then “Applicable MREL/TLAC Regulations” means all such regulations, requirements, guidelines and policies.

“**Bail-in Power**” means any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, “**BRRD**”), including without limitation pursuant to French decree-law No. 2015-1024 dated August 20, 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time, the “**August 20, 2015 Decree Law**”), Regulation (EU) No 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, “**SRM**”), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), canceled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise.

“**Business Day**” means a day on which the TARGET System is operating and a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in euros in Paris.

“**Calculation Amount**” means the Specified Denomination, as may be adjusted from time to time to take into account the outstanding amount of the Notes.

“**Clearing Systems**” means Euroclear and Clearstream, Luxembourg.

“**Clearstream, Luxembourg**” means Clearstream Banking S.A., Luxembourg.

“**Coupon**” means, in relation to a Note, the interest coupons relating to that Note.

“**Couponholders**” means the holders of the Coupons.

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

**“Deed of Covenant”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Determination Date”** means the Interest Payment Date. For the Interest Period commencing on the Issue Date and ending on the next Interest Payment Date, the Determination Date means 20 December 2017.

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

**“EUR”** or **“euro”** and **“€”** refer to the lawful currency of the European Union introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

**“Euroclear”** means Euroclear Bank S.A./N.V.

**“Euroclear France”** means Euroclear France S.A.

**“Fiscal Agent”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Fixed Coupon Amount”** means EUR 1,875 per Calculation Amount.

**“French Withholding”** shall have the meaning ascribed to it in paragraphe (a) of Condition 8.1 (*Withholding Tax*).

**“FSB TLAC Term Sheet”** means the Total Loss-absorbing Capacity (TLAC) term sheet set forth in the document dated 9 November 2015 published by the Financial Stability Board, entitled “Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution,” as amended from time to time.

**“Holder”** means, in relation to a Note or Coupon, the bearer of any Note or Coupon.

**“ICSDs Agreement”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

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

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the Fixed Coupon Amount 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 calculated in accordance with Condition 5.3 (*Calculation of amount of interest per Note*).

**“Interest Commencement Date”** means the Issue Date.

**“Interest Payment Date”** means 20 December in each year from (and including) 20 December 2017.

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

**“Issue Date”** means 20 December 2016.

**“Issuer”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Maturity Date”** means 20 December 2026.

**“MREL”** refers to the “minimum requirement for own funds and eligible liabilities” for banking institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in article L.613-44 of the French *Code monétaire et financier*) and Commission Delegated Regulation (EU) 2016/1450 of May 23, 2016, or any successor requirement.

**“MREL/TLAC Disqualification Event”** means at any time that all or part of the outstanding nominal amount of the Notes does not fully qualify as MREL/TLAC-Eligible Instruments, except where such non-qualification was reasonably foreseeable at the Issue Date or is due to the remaining maturity of such Notes being less than any period prescribed by the Applicable MREL/TLAC Regulations.

**“MREL/TLAC-Eligible Instrument”** means an instrument that is eligible to be counted towards the MREL of the Issuer and that constitute TLAC-eligible instruments (within the meaning of the FSB TLAC Term Sheet) of the Issuer, in each case in accordance with Applicable MREL/TLAC Regulations.

**“New Terms”** means, at any time, any terms and conditions of an unsecured, senior non-preferred instrument within the meaning of Article L.613-30-3-I-4° of the French *Code monétaire et financier* issued by the Issuer that are different in any material respect from the terms and conditions of the Notes at such time.

**“Notes”** or **“Senior Non-Preferred Notes”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Noteholders”** means the bearer of any Note from time to time.

**“Ordinarily Subordinated Obligations”** means any subordinated obligations or other instruments issued by the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer.

**“Paris Paying Agent”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Paying Agent”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Principal Paying Agent”** shall have the meaning ascribed to it in Condition 1 (*Introduction*).

**“Proceedings”** have the meaning ascribed to it in Condition 17.2 (*Jurisdiction*).

**“Qualifying Notes”** means, at any time, any securities denominated in euros and issued directly or indirectly by the Issuer that:

- (i) contain terms which at such time comply with the then current requirements for MREL/TLAC-Eligible Instruments as embodied in the Applicable MREL/TLAC Regulations; and
- (ii) carry the same rate of interest, including for the avoidance of doubt any rate of interest reset provisions, from time to time applying to the Notes prior to the relevant substitution or variation pursuant to Condition 12 (*Substitution and Alignment*); and
- (iii) have the same outstanding principal amount as the Notes prior to the relevant substitution or variation pursuant to Condition 12 (*Substitution and Alignment*); and
- (iv) have the same date of maturity and the same dates for payment of interest as the Notes prior to the relevant substitution or variation pursuant to Condition 12 (*Substitution and Alignment*); and
- (v) rank *pari passu* with the Notes prior to the substitution or variation pursuant to Condition 12 (*Substitution and Alignment*); and

- (vi) shall not at such time be subject to a MREL/TLAC Disqualification Event and/or a Tax Event, as applicable; and
- (vii) have terms not otherwise materially less favourable to the Noteholders than the terms of the Notes, as reasonably determined by the Issuer, and provided that the Issuer shall have delivered an officer's certificate to that effect to the Fiscal Agent at the Fiscal Agent's specified office during its normal business hours not less than five (5) Business Days prior to (x) in the case of a substitution of the Notes pursuant to Condition 12 (*Substitution and Alignment*), the issue date of the relevant securities or (y) in the case of a variation of the Notes pursuant to Condition 12 (*Substitution and Alignment*), the date such variation becomes effective; and
- (viii) are listed or admitted to trading on any stock exchange as selected by the Issuer, if the Notes were listed or admitted to trading on a stock exchange immediately prior to the relevant substitution or variation pursuant to Condition 12 (*Substitution and Alignment*).

**"Rate of Interest"** means 1.875 per cent. per annum.

**"Redemption Amount"** means, in respect of any Note, its outstanding principal amount.

**"Regulated Entity"** means any entity referred to in Section I of Article L.613-34 of the French *Code de commerce* as modified by the August 20, 2015 Decree Law, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

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

**"Relevant Regulator"** means the European Central Bank and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer.

**"Relevant Resolution Authority"** means the *Autorité de contrôle prudentiel et de résolution* ("ACPR"), the Single Resolution Board ("SRB") established pursuant to the SRM, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the SRM).

**"Senior Non-Preferred Obligations"** means any obligations or other instruments issued by the Issuer which are within the category of obligations described in article L.613-30-3-I-4° of the French *Code monétaire et financier*.

**"Senior Preferred Obligations"** means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-3° of the French *Code monétaire et financier*. For the avoidance of doubt, all unsubordinated debt securities issued by the Issuer prior to the entry into force of Article L.613-30-3-I-4° of the French *Code monétaire et financier* constitute Senior Preferred Obligations.

**"Specified Denomination"** shall have the meaning ascribed to it in Condition 3.1 (*Form, Denomination and Title*).

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

**"Tax Event"** shall have the meaning given to such term in Condition 6.3 (*Redemption upon the occurrence of a Tax Event*).

“**unit**” shall have the meaning ascribed to it in Condition 5.5 (*Rounding*).

“**UK Withholding**” shall have the meaning ascribed to it in paragraphe (b) of Condition 8.1 (*Withholding Tax*).

“**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note.

2.2. *Interpretation:* In these Conditions:

- (i) Notes and Holders shall respectively be deemed to include references to Coupons and Couponholders, if relevant;
- (ii) any reference to “**principal**” shall be deemed to include the Redemption Amount and any additional amounts in respect of principal, which may be payable under Condition 8 (*Taxation*) and any other amount in the nature of principal payable pursuant to these Conditions;
- (iii) any reference to “**interest**” shall be deemed to include the Interest Amount and any additional amounts in respect of interest which may be payable under Condition 8 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions; and
- (iv) references to Notes being “**outstanding**” shall be construed in accordance with the Agency Agreement.

3. **Form, Denomination and Title**

- 3.1. *Form of Notes and denomination:* The Notes are issued in bearer form in the denominations of €100,000 (the “**Specified Denomination**”), each with Coupons attached.
- 3.2. *No exchange of Notes:* Notes of one denomination will not be exchangeable for Notes of another denomination.
- 3.3. *Title:* Title to Notes and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Note or Coupon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or its theft or loss and no person shall be liable for so treating such Holder.

4. **Status of the Notes**

- 4.1. The Notes are Senior Non-Preferred Obligations, which constitute with the Coupons relating to them (if any), direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer, and rank and shall at all times rank:
  - (i) *pari passu* among themselves and with other Senior Non-Preferred Obligations of the Issuer;
  - (ii) *senior* to Ordinarily Subordinated Obligations of the Issuer; and
  - (iii) *junior* to present and future claims benefitting from statutory preferences, including Senior Preferred Obligations of the Issuer.
- 4.2. Subject to applicable law, in the event of the judicial liquidation (*liquidation judiciaire*) of the Issuer, the Noteholders will have a right to payment under the Senior Non-Preferred Notes:
  - (i) only after and subject to payment in full of holders of Senior Preferred Obligations and other present and future claims benefitting from statutory preferences or otherwise ranking in priority to Senior Non-Preferred Obligations; and
  - (ii) subject to such payment in full, in priority to holders of Ordinarily Subordinated Obligations of the Issuer and other present and future claims (including super-subordinated obligations) otherwise ranking, or expressed to rank, junior to Senior Non-Preferred Obligations.

4.3. There is no negative pledge in respect of the Notes.

4.4. It is the intention of the Issuer that the Notes shall be treated for regulatory purposes as MREL/TLAC-Eligible Instruments under the Applicable MREL/TLAC Regulations.

## 5. Interest

5.1. *Interest rate:* The Notes bear interest on its outstanding nominal amount at the Rate of Interest from (and including) the Interest Commencement Date. Interest shall be payable annually in arrear on each Interest Payment Date, subject in any case as provided in Condition 7 (*Payments*).

5.2. *Accrual of interest:* Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case interest shall continue to accrue (both before or after judgment) at the Rate of Interest in accordance with this Condition to the Relevant Date.

5.3. *Calculation of amount of interest per Note:* The Interest Amount in respect of any Note for any Interest Accrual Period shall be equal to the Fixed Coupon Amount.

5.4. *Rounding:* For the purposes of any calculations required pursuant to these Conditions,

- (i) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (ii) all figures shall be rounded to seven significant figures (with halves being rounded up); and
- (iii) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country of such currency.

## 6. Redemption and Purchase

6.1. *Maturity date:* Unless previously redeemed or purchased and cancelled as provided below, the Notes will be redeemed on the Maturity Date at their Redemption Amount.

6.2. *Redemption upon the occurrence of a MREL/TLAC Disqualification Event:* Upon the occurrence of a MREL/TLAC Disqualification Event, the Issuer may, at its option at any time and subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) below, redeem all (but not some only) of the outstanding Notes at their Redemption Amount, together with accrued but unpaid interest (if any) thereon, subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority if required.

6.3. *Redemption upon the occurrence of a Tax Event:* If, by reason of any change in French laws or regulations or the laws or regulations of the United Kingdom, or any change in the official application or interpretation of such laws or regulations, becoming effective on or after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8 (*Taxation*) below (a “**Tax Event**”), the Issuer may, at its option at any time and subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15 (*Notices*), redeem all (but not some only) of the Notes at their Redemption Amount, together with any accrued but unpaid interest (if any) thereon, subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority if required and provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the relevant principal or interest, as the case may be, without being required under Condition 8 (*Taxation*) to pay such additional amounts.

6.4. *Purchase*: The Issuer may at any time purchase Notes in the open market or otherwise at any price subject to applicable laws and regulations, subject to such redemption being permitted by the Applicable MREL/TLAC Regulations, and subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority, if required. Notes so purchased by or on behalf of the Issuer may be held and resold in accordance with applicable laws and regulations or cancelled in accordance with Condition 6.5 (*Cancellation*) below. Notes repurchased by or on behalf of the Issuer may be purchased and held in accordance with Article L.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes for a maximum period of one year from the date of purchase in accordance with Article D. 213-1-A of the French *Code monétaire et financier*.

6.5. *Cancellation*: Any Note redeemed by the Issuer or any Note purchased by or on behalf of the Issuer in accordance with Condition 6.4 (*Purchase*) above, may, in accordance with applicable laws or regulations, be surrendered for cancellation. Notes will be cancelled by surrendering each such Note together with all unmatured Coupons attached thereto to the Fiscal Agent. Any Note so cancelled, or so surrendered for cancellation, may not be reissued or resold and the obligations of the Issuer in respect of any such Note shall be discharged. For so long as the Notes are admitted to trading on the regulated market of and listed on Euronext Paris, the Issuer will forthwith inform Euronext Paris of any such cancellation.

## **7. Payments**

7.1. *Principal*: Payments of principal shall be made against presentation and (provided that payment is made in full) surrender of the Note at the specified office of any Paying Agent outside the United States, by cheque payable in Euros drawn on, or, at the option of the Holder, by transfer to an account denominated in euros with a bank in Paris or a city in which banks have access to the TARGET System.

7.2. *Interest*: Payments of interest shall, subject to Condition 7.5 (*Unmatured Coupons*) below, be made against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the specified office of any Paying Agent outside the United States in the manner described in Condition 7.1 (*Principal*) above.

7.3. *Appointment of Agents*:

- (i) The name and specified office of the initial Paris Paying Agent are as follows: CACEIS Corporate Trust, 14 rue Rouget de Lisle – 92862 Issy Les Moulineaux – France;
- (ii) The name and specified office of the Fiscal Agent and the name and specified office of the initial Principal Paying Agent are as follows: Crédit Agricole S.A., 12, place des Etats-Unis – 92127 Montrouge - France; and
- (iii) The name and specified office of the Additional Paying Agent are as follows: CACEIS Bank Luxembourg, 5 Allée Schaeffer – L-2520 Luxembourg – Luxembourg.

The Agents act solely as agents of the Issuer and do not assume any obligation towards or relationship of agency or trust for or with any of the Holders and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

The Issuer reserves the right at any time to vary or terminate the appointment of the Agents, and/or appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent and (ii) Paying Agents, having specified offices in at least two major European cities one of which shall be Paris so long as the Notes are listed on Euronext Paris and the rule of that exchange so require, and (iii) a Paying Agent with a specified office in an European Union member state other than Austria.

Any notice of a change in the Agents or their specified office shall be given to Noteholders as specified in Condition 15 (*Notices*) below.



7.4. *Payments subject to Fiscal laws:* Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) below and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations or agreements thereunder or official interpretations thereof), or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) (collectively, “**FATCA**”).

7.5. *Unmatured Coupons:*

- (i) Upon the due date for redemption, the Notes shall be surrendered for payment together with all unmaturing Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmaturing Coupon shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of ten (10) years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 16 (*Prescription*) below).
- (ii) Where any Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (iii) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Issue Date, as the case may be, shall only be payable against presentation (and surrender if applicable) of the relevant Note.

7.6. *Non-Business Days:* If any date for payment in respect of any Note, or, where applicable, Coupon, is not a Business Day, the Holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

## 8. **Taxation**

8.1. *Withholding Tax*

- (a) All payments in respect of the Notes (including, for the avoidance of doubt, those Notes referred to in Condition 8.1(b)) and any related Coupons shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the Republic of France, or any authority therein or thereof, having the power to tax, unless the withholding or deduction of such taxes is required by law (“**French Withholding**”).
- (b) In addition, all payments in respect of Notes and any related Coupons shall also be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the United Kingdom, or any authority therein or thereof, having the power to tax, unless the withholding or deduction of such taxes is required by law (“**UK Withholding**”).
- (c) If there is French Withholding or UK Withholding, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holders of Notes, or, as the case may be, Coupons, after such deduction or withholding, will receive the same amounts as would have been received by them had no such withholding or deduction been required; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note or Coupon, as the case may be:
  - (i) to, or to a third party on behalf of, a holder who is subject to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Republic of France or the United Kingdom, in each case, other than the mere holding of such Note or Coupon; or

- (ii) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on or before the thirtieth day of such time period; or
- (iii) presented (or in respect of which the Certificate representing it is 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 (or the Certificate representing it), or Coupon to another Paying Agent in a Member State of the European Union; or
- (iv) where such withholding or deduction is imposed pursuant to FATCA.

## 8.2. *Supply of information*

Each Noteholder shall be responsible for supplying to the Paying Agent, in a 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 Directive amending, supplementing or replacing such Directive (such as, in particular, Council Directive 2011/16/EU on administrative cooperation in the field of taxation, as amended by Council Directive 2014/107/EU) or implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000, or any subsequent meeting of the Council of the European Union on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive or Directives.

## 9. **Replacement of Notes and Coupons**

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

## 10. **Event of Default**

There are no events of default under the Notes which could lead to an acceleration of the Notes.

Neither a cancellation of the Notes, a reduction, in part or in full, of the principal amount of the Notes or any accrued and unpaid interest on the Notes, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholders to any remedies (including equitable remedies), which are hereby expressly waived. However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason, then the Notes would become immediately due and payable, subject as described in Condition 4 (*Status of the Notes*) above.

## 11. **Waiver of Set-Off**

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort, whether or not relating to such Note) and each Noteholder shall be deemed to have waived all Waived Set-Off

Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any holder of any Note but for this Condition.

## **12. Substitution and Alignment**

In the event that a MREL/TLAC Disqualification Event, Tax Event or Alignment Event occurs and is continuing, the Issuer may substitute all (but not some only) of the Notes or modify the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which shall be irrevocable) in accordance with Condition 15 (*Notices*), and subject to the prior consent of the Relevant Regulator and/or the Relevant Resolution Authority, if required

Any such notice shall specify the relevant details of the manner in which such substitution or modification shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Notes. Such substitution or modification will be effected without any cost or charge to the Noteholders.

## **13. Meetings of Noteholders – Modification and Amendment**

### **13.1. *Meetings of Noteholders - Modification and Amendment***

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions.

Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*:

- (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest on the Notes;
- (ii) to reduce or cancel the nominal amount of the Notes;
- (iii) to reduce the rate of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any interest in respect of the Notes;
- (iv) to vary any method of, or basis for, calculating the Redemption Amount;
- (v) to vary the currency or currencies of payment or denomination of the Notes;
- (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution; or
- (vii) to make any change in the ranking or priority of any of the Notes that would materially adversely affect the Noteholders;

in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding.

Any Extraordinary Resolution duly passed, including by Written Resolution or Electronic Consent (as defined in the Agency Agreement), shall be binding on all Noteholders and holders of Coupons

(whether or not they were present at the meeting at which such resolution was passed, or whether or not they participated in such Written Resolution and/or Electronic Consent).

### 13.2. *Modification of the Agency Agreement*

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

## 14. **Further Issues**

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

## 15. **Notices**

Notices to Holders shall be valid if published (i) in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*), (ii) so long as the Notes are listed and admitted to trading on Euronext Paris and the rules of Euronext Paris so require, in a daily newspaper with general circulation in France (which is expected to be *Les Echos*), or (iii) in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF.

If the publication mentioned in (i) or (ii) is not practicable, notice shall be validly given if published in another leading daily English or French language newspaper, as applicable, with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

## 16. **Prescription**

Claims against the Issuer for payment in respect of the Notes or Coupons shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 17. **Governing Law and Jurisdiction**

### 17.1. *Governing law*

The Notes and the Coupons and, to the extent permissible under Regulation (EC) no. 864/2007 of the European Parliament and the Council of 11 July 2007, any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law, except for Condition 4 (*Status of the Notes*) which shall be governed by, and construed in accordance with, French law.

### 17.2. *Jurisdiction*

The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes or Coupons and accordingly any legal action or proceedings arising out of or in connection with any Notes or Coupons (“**Proceedings**”) shall be brought in such courts.

## 18. Rights of Third Parties

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

## 19. Bail-in

### 19.1. Acknowledgement

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its acquisition of the Notes, each Noteholder (which for the purposes of this Condition includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due (as defined below) on a permanent basis;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Notes;
  - (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and
- (b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

For purposes of this Condition, the “**Amounts Due**” are the principal amount of the Notes and any accrued and unpaid interest on the Notes.

### 19.2. Payment of Interest and Other Outstanding Amounts Due

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of the Crédit Agricole Group.

### 19.3. Notice to Noteholders

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will make available a written notice to the Noteholders as soon as practicable regarding such exercise of the Bail-in Power. The Issuer will also deliver a copy of such notice to the Agents for informational purposes, although the Agents shall not be required to send such notice to Noteholders.

### 19.4. Duties of the Agents

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority, (a) the Agents shall not be required to take any directions from Noteholders, and (b) the Agency Agreement shall impose no duties upon any of the Agents whatsoever, in each case with respect to the exercise of any Bail-in Power by the Relevant Resolution Authority.

19.5. *Proration*

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total Amounts Due, unless any of the Agents is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in Power will be made on a pro-rata basis.

19.6. *Conditions Exhaustive*

The matters set forth in this Condition 19 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any holder of a Note.

## FORM OF THE NOTES

### Initial Issue of the Notes

The Notes will be initially represented by a temporary Global Note (without interest coupons).

The Global Notes will be issued in New Global Note (“**NGN**”) form. Global Notes will be delivered on or prior to the original issue date of the Notes to a common safekeeper appointed by the relevant Clearing Systems in respect of such Global Note (the “**Common Safekeeper**” and an “**Approved Intermediary**”).

Upon the initial deposit of a Global Note with the Common Safekeeper, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. The nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such Clearing System shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such Clearing System at any time shall be conclusive evidence of the records of the relevant Clearing System at that time, it being mentioned that the records of any Clearing System shall be the records that such relevant Clearing System holds for its customers which reflect the amount of such customer’s interest in the Notes (but excluding the interests in the Notes of one Clearing System shown in the records of the other Clearing System).

Notes that are initially deposited with the Common Safekeeper may also be credited to the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

In respect of the Global Note, “**Holder(s)**” means each person (other than the relevant Clearing System) who is for the time being shown in the records of the relevant Clearing System as the holder of a particular nominal amount of the Notes and who is deemed to be the holder of that nominal amount of Notes (and the bearer of the Global Notes shall not be deemed to be the holder) for all purposes other than with respect to the payment of principal or interest on the Notes, for which purposes the bearer of the Global Note shall be treated by the Issuer and any of the agents as the holder of the Notes in accordance with and subject to the terms of the Global Note and the expressions “**holder of Notes**” or “**Noteholders**” and related expressions shall be construed accordingly.

### Relationship of Accountholders with Clearing Systems

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

### Denomination

The Notes are issued in the denominations of €100,000 (the “**Specified Denomination**”).

### Exchange of Global Notes

#### (1) Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below) in whole or in part upon certification as to non-U.S. beneficial

ownership in the form set out in the Agency Agreement for interests in a permanent Global Note (without interest coupons).

(2) Permanent Global Notes

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

- (i) if:
  - 1) the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
  - 2) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange; and
- (ii) in case of adverse tax consequences to the Issuer as a result of the Notes being in global form, by the Issuer giving notice to the Noteholders and the Fiscal Agent of its intention to effect such exchange.

In the event that a Global Note is exchanged for Definitive Bearer Notes, such Definitive Bearer Notes shall be issued in one Specified Denomination only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Bearer Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denomination.

**Partial Exchange of Permanent Global Notes**

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Bearer Notes, as the case may be if principal in respect of any Notes is not paid when due.

**Delivery of Notes**

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will:

- (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange; or
- (ii) in the case of a Global Note exchangeable for Definitive Bearer Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Bearer Notes, procure that details of such exchange be entered pro rata in the records of the relevant clearing system. “**Definitive Bearer Notes**” shall mean, in relation to any Global Note, the definitive Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest). Definitive Bearer Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Bearer Notes.

In accordance with the Belgian law of 14 December 2005 on the abolition of bearer securities, the Issuer will not be allowed to deliver Definitive Bearer Notes (or the Global Note) in physical form in Belgium, other than deliveries to a clearing system, a depository or another institution for the purpose of their immobilisation, and



will make any physical delivery of Definitive Bearer Notes (or the Global Note), other than the above allowed deliveries, outside of Belgium.

## Exchange Date

“**Exchange Date**” means:

- (i) in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date; and
- (ii) in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given, and

in either case, which day shall be one on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant Clearing System is located.

## Legend

Each Global Note, Definitive Bearer Note or Coupon will bear the following legend:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code.”

The sections of the U.S. Internal Revenue Code of 1986, as amended, referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment with respect to any gain realised on any sale, exchange or redemption of Notes or any related Coupons.

## Amendment to Conditions in Respect of Notes while in Global Form

The temporary Global Notes and permanent Global Notes contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions. The following is a summary of certain of those provisions:

- (1) Payments: No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Bearer Notes is improperly withheld or refused. Payments on any temporary Global before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made through Euroclear and/or Clearstream, Luxembourg and against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. The Issuer shall procure that details of each such payment shall be entered pro rata in the records of the Common Safekeeper and/or the relevant clearing system and the nominal amount of the Notes will be reduced accordingly. Payments under the Note will be made to its holder. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make entries in the records of the Common Safekeeper and/or the relevant clearing system shall not affect such discharge.

For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “**Business Day**” set out in the Conditions.

- (2) Prescription: Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 16 (*Prescription*)).
- (3) Meetings: The holder of a permanent Global Note shall (unless such permanent Global Note represents only one Note) be treated as being two persons for the purposes of any quorum

requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of Euros of the Notes.

- (4) Cancellation: Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.
- (5) Purchase: Notes represented by a permanent Global Note may only be purchased by the Issuer if they are purchased together with the rights to receive all future payments of interest thereon.
- (6) Issuer's Option: Any option of the Issuer provided for in the Conditions while the Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by Condition 15 (*Notices*).
- (7) Notices: So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by Condition 15 (*Notices*) or by delivery of the relevant notice to the holder of the Global Note except that so long as the Notes are listed on Euronext Paris and the rules of that exchange so require, notices shall also be published in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF.

## **CLEARING AND SETTLEMENT IN RESPECT OF ENGLISH LAW NOTES**

### **Book-Entry Ownership**

The Issuer may make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of the Notes. A temporary Global Note and/or a permanent Global Note in bearer form without Coupons may be deposited with a Common Safekeeper for Clearstream, Luxembourg and Euroclear. Transfers of interests in such temporary Global Notes or other Global Notes will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear. The Global Note will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

## TRANSFER RESTRICTIONS FOR THE NOTES

Each purchaser of Notes outside the United States in reliance on Regulation S and each subsequent purchaser of such Notes in resales prior to expiration of the Distribution Compliance Period, (as defined under the section entitled "*Subscription and Sale*" in the Base Prospectus incorporated therein), by accepting delivery of this Drawdown Prospectus, will be deemed to have represented and agreed and acknowledged as follows:

- (i) It is, or at the same time Notes are purchased will be, the beneficial owner of such Notes and it is located outside the United States and is not a U.S. person (as defined in Regulation S) and it is not an affiliate of the Issuer or a person acting on behalf of such affiliate.
- (ii) It understands that the Notes have not been and will not be registered under the Securities Act. It agrees, for the benefit of the Issuer, the Managers and the Managers' affiliates, that, if prior to the expiration of the Distribution Compliance Period, it decides to resell, pledge or otherwise transfer such Notes purchased by it, any offer, sale or transfer of such Notes will be made in (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 the account of a QIB or (b) in an offshore transaction in compliance with Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (iii) It acknowledges that the Issuer, the Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meaning given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

In addition, other restrictions with respect to ERISA considerations apply. Please refer to the section entitled "*Certain ERISA Considerations*" in the Base Prospectus incorporated therein.

## RECENT DEVELOPMENTS

### **Share capital increase reserved for employees of the Crédit Agricole group**

Crédit Agricole S.A. announced on September 7, 2016 the launch of a share offering reserved for employees of the group worldwide.

#### **1. PURPOSE OF THE OFFER**

The purpose of the offer reserved for employees described in this information document (the “Offer”) is to enable employees of the Crédit Agricole group to be more closely associated with the growth of the Company.

#### **2. SHARE ISSUER**

Crédit Agricole S.A. (hereinafter “Crédit Agricole S.A.” or the “Company”) a French *Société Anonyme* with an authorized capital of EUR 8 427 872 445 having its registered office at 12, place des Etats-Unis - 92127 Montrouge Cedex, France, and registered in the trade registry (*Registre du commerce et des sociétés*) of Nanterre under number 754 608 416.

Information relating to the Company is available on its website at ([www.credit-agricole.com](http://www.credit-agricole.com)), and in particular, in the registration document available on this website.

#### **3. CONTEXT OF THE OFFER – SECURITIES OFFERED**

The subscription of shares is proposed in the context of the French law company savings plans (*plans d'épargne d'entreprise*) established by the French companies which participate in the Offer and the international group company savings plan established under French law within the companies of the Scope of the Offer internationally.

The Offer is made on the basis to the Company's shareholder's authorisation given by the 41<sup>st</sup> resolution of the extraordinary general meeting of shareholders of May 19, 2016. Pursuant to this authorization, the Company's Board of Directors decided on May 19, 2016 the principle of an issuance of shares at a discount for the benefit of the beneficiaries defined below and set the main features of the Offer. An issuance of shares is also made on the basis of the 42nd resolution for the needs of the implementation of the offering proposed to beneficiaries internationally. It has delegated to the Chief Executive Officer and Deputy Chief Executive Officer of the Company the powers necessary for the implementation of the Offer.

The shares that the employees of the Crédit Agricole group may subscribe under the Offer (the “Shares”) are ordinary shares with a nominal value of EUR 3 and of the same class as the existing ordinary shares. The new Shares will carry current dividend rights. They are subject to a lock-up period described in paragraph 6 below.

#### **4. ADMISSION TO TRADING ON A REGULATED MARKET**

The admission of the new Shares to trading on the market of Euronext Paris will be requested upon their issuance, scheduled on December 15, 2016.

Upon admission to the market of Euronext Paris, the new Shares will be entirely fungible with the shares of the Company already listed on such market and traded at the same trading line under ISIN code number FR000045072.

#### **5. MAXIMUM NUMBER OF ISSUABLE SHARES**

Pursuant to the decision of the Board of Directors of the Company of May 19, 2016, the shares of Crédit Agricole S.A. which may be issued in the context of the Offer shall not have a total nominal value superior to EUR 175.000.000, equal to a maximum number of issuable shares of 58.333.333.

## 6. SUBSCRIPTION TERMS

### *Beneficiaries of the offer:*

The beneficiaries of the Offer are employees having a seniority of more than 3 months on the last day of the subscription/revocation period, acquired consecutively or not as per January 1, 2015, with the entities within the Scope of the Offer, subject to applicable local regulations, as well as eligible retirees of French entities (the “Employees”).

The “Scope of the Offer” includes:

- the Company;
  - the entities and groups which are comprised in the scope of consolidated accounts of the Company pursuant to Article L. 233-16 of the French Commercial Code (*Code de Commerce*), at the latest on the day before the opening of the reservation period and having their registered office (i) in France or (ii) Germany, Egypt, Spain, United States of America, Hong Kong, Italy, Japan, Luxembourg, Monaco, Morocco, Netherlands, Poland, Portugal, Romania, United Kingdom, Serbia, Singapore and Switzerland, provided they are held directly or indirectly at least 50% by the Company subject to legal and tax provisions applicable in the countries concerned;
  - the *Caisses régionales de Crédit Agricole Mutuel* ;
  - the companies controlled by the *Caisses régionales de Crédit Agricole Mutuel*, whether directly or indirectly, and having their registered office in (i) France and (ii) Spain, Luxembourg and Switzerland, subject to the legal and tax provisions applicable in the countries concerned;
  - the entities controlled by the Company and/or the *Caisses régionales de Crédit Agricole Mutuel* having their registered office in France;
- subject to the condition that (i) the entities listed above have set-up a company savings plan (*plan d'épargne entreprise*) or have joined one of company savings plans, group savings plans (*plan d'épargne groupe*) or the international group savings plan (PEEGI) allowing participation in the Offer and (ii) applicable local rules and regulations are observed.

### *Procedures for subscription:*

Employees participating in the Offer implemented in France subscribe for Shares through a *Fonds Communs de Placement d'Entreprise* (employee shareholding investment vehicle, or “FCPE”) and Employees participating in the Offer implemented in other countries of the Scope of the Offer subscribe for Shares directly.

### *Subscription price:*

The subscription price will be equal to 80% of the average of opening prices of the Crédit Agricole S.A. share over the 20 trading days prior to the decision by the Chief Executive Officer or the Deputy Chief Executive Officer of the Company, acting upon delegation of the Board of Directors, establishing the opening date of the subscription/revocation period. In accordance with the indicative time schedule, such decision would be taken on November 5, 2016. A specific subscription price will apply to the subscription of shares in the Classique offer proposed in the United States of America. This price equals to the higher of: (i) 80% of the average of opening prices of the Crédit Agricole S.A. shares over the 20 trading days prior to November 5, 2016 and (ii) 85% of the average of the trading prices of the shares on Euronext Paris on November 4, 2016 and November 7, 2016, within the limit of an amount equal to 100% of the average of opening prices of the Crédit Agricole S.A. shares over the 20 trading days prior to November 5, 2016.

The Subscription Price will be notified to Employees via Intranet of companies participating to the Offer, on the Crédit Agricole website ([www.credit-agricole.com](http://www.credit-agricole.com)). Based on the indicative time schedule, this communication will take place on November 7, 2016.

### *Subscription formulas:*

Two subscription formulas will be offered to the Employees: (i) a “Classique” offer which enables Employees to subscribe for Crédit Agricole S.A. shares at the discounted price and (ii) a “Multiple” offer also referred to as leveraged and secured (subject to change in applicable taxation during the investment period) which enables Employees to benefit from a guarantee of their investment. In France, the “Multiple” offer is proposed through the subscription of FCPE units. Internationally, Employees will be granted SAR (Stock Appreciation Rights) which entitles them to a payment indexed on the share price pursuant to the formula comparable to the one of the “Multiple” offer proposed in France.

*Maximum subscription amount:*

The total maximum subscription in the Offer is set at EUR 40.000 if the request is submitted during the reservation period and at EUR 4.000 if the request is submitted during the subscription/revocation period. Furthermore, the total annual amount of the investment in the savings plan is capped at 25% of the gross annual income (and to 10% of the net monthly salary for subscribers in Morocco). The minimum investment amount is set at EUR 15.

*Lock-up of the shares or the FCPE units subscribed in the context of the Offer:*

The subscribers must hold the Shares or the FCPE units subscribed in the context of the Offer until May 31, 2021, unless occurrence of an early release event.

*Exercise of voting rights attached to shares:*

When shares are subscribed through an FCPE, voting rights are exercised by the unitholders or by the FCPE Supervisory Board (*conseil de surveillance*), in accordance with the FCPE regulations. With regard to the shares subscribed for directly, the voting rights will be exercised individually by the employees concerned.

## **7. PROCEDURE IN CASE OF OVER-SUBSCRIPTION**

The amount of individual subscriptions may be reduced if the total of the subscription commitments received exceeds the maximum amount set for the capital increase as indicated in Paragraph 5 above. These subscription commitments will be reduced in accordance with the following rules:

- a. the highest individual subscription commitments will be reduced down until the subscription threshold after reduction is reached (the "Reduction Threshold") so that the total of the individual subscription commitments is less than or equal to the maximum amount offered; for the purpose of this calculation, individual subscription commitments in the "Multiple" offer will be equal to 10 times the investment amount;
- b. as the result, all subscription commitments that are less than or equal to the Reduction Threshold will be served entirely and subscription commitments that exceed the Reduction Threshold will be served up to this threshold;
- c. in the case of French subscribers, the possible subscription reduction is first deducted from the portion of the subscription which is financed by way of bank debit, and then on the sums resulting from a transfer of employee savings;
- d. for Employees who opted to invest in both offers, the reduction will be made by retaining the same proportions between both subscription formulas as set by the Employee initially.

Moreover, a specific ceiling is applied to subscriptions in certain countries, especially the United States and Japan in order to take into account the local tax and legal provisions. The reduction procedure above shall also apply if the subscription request in these countries exceeds their specific ceiling.

## **8. INDICATIVE TIME SCHEDULE OF THE OFFER**

Reservation period for Shares: from September 12, 2016 to October 3, 2016

Setting of the subscription price for Shares: scheduled for November 5, 2016.

Subscription/revocation period for Shares: scheduled from November 8, 2016 to November 11, 2016

Settlement/delivery of the Shares: scheduled for December 15, 2016

This time schedule is indicative and may be altered due to events affecting the conditions of implementation of the transaction.

## **9. HEDGING TRANSACTIONS**

With respect to the implementation of the "Multiple" offer, hedging transactions concerning the Shares will be carried out on the market and off-market by financial institutions, particularly as from the date on which the period of determination of the subscription price will start (i.e. on October 10, 2016) and for the entire duration of the transaction.

## 10. LEGAL NOTICE

Further information on Crédit Agricole S.A., the Offer and the Shares offered, can be obtained on the Company website ([www.credit-agricole.com](http://www.credit-agricole.com)).

The Offer will be implemented only in countries where such an offering has been registered or notified to the competent local authorities and/or following an approval of a prospectus by the competent local authorities or in consideration of exemption from the requirement to prepare a prospectus or a registration or notification of the Offer.

More generally, the Offer will only be conducted in countries where all procedures of registering and/or notifications have been completed and the necessary authorizations have been obtained.

The Company may decide not to complete the Offer, or suspending or postponing it in the event that market conditions do not allow for the Offer to be carried out under optimal conditions.

This information document is for informative purposes and should not be considered as a form of canvassing or solicitation for the participation of Employees in the Offer. Furthermore, neither Crédit Agricole S.A. nor any employer is giving investment advice with respect to this Offer. Investing is a personal decision that must be made by the employee, taking into account diversification of its portfolio.

## 11. CONTACT FOR THE BENEFICIARIES OF THE OFFER

For any questions regarding the Offer, beneficiaries may contact their Human Resources manager and/or any other person specified in the documentation relating to the Offer provided to beneficiaries.

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### Clarifications

On December 7, 2016, Crédit Agricole took note of the decision of the European Commission in the Euribor case.

Crédit Agricole firmly believes that it did not infringe competition law. Accordingly, it will appeal the Commission's decision before the European courts.

Payment of the fine will not affect the 2016 financial statements given the provisions set aside previously.

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### **Crédit Agricole Group to Support Amundi's Acquisition of Pioneer Investments from UniCredit**

On December 12, 2016, Amundi announced the signing of a binding agreement to acquire Pioneer Investments from UniCredit for an all-cash consideration of 3,545 million euros. Milan-based Pioneer Investments, with total assets under management of 222<sup>12</sup> billion euros, is a world class asset manager with a global and proven product expertise which offers strong capabilities in multi-asset as well as European, US and global equities.

For Crédit Agricole Group, this transaction is consistent with the objectives of the Medium Term Plan Strategic Ambition 2020:

1. Reinforce asset management activities according to Amundi's business model.
2. Accelerate organic growth in this business with targeted acquisitions in accordance with Amundi's acquisition criteria.

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<sup>12</sup> As of 30 September 2016, excluding assets under management for Poland.



3. Increase presence in Italy which is the second domestic market of the Group.

For Amundi, the acquisition of Pioneer has three key objectives:

1. Reinforce Amundi's position as the European leader in asset management and create the 8th largest asset manager globally.
2. Strengthen significantly its industrial platform and upgrade its distribution capabilities and product offerings.
3. Create significant value for Amundi shareholders thanks to a high synergy potential, consistently with the disciplined approach announced at the time of its IPO to deploy its excess capital for acquisitions with strict criteria: return on investment of at least 10% within three years and EPS accretion.

Crédit Agricole Group will underwrite the c.1.4 billion euros Amundi capital increase (rights issue) which will be launched in the first half of 2017 and will participate in the offering with an ownership post transaction of minimum 66.7%. Amundi will finance the remaining consideration by c.1.5 billion euros of excess capital and c.0.6 billion euros of senior and subordinated debt. The transaction, which has received the support of both Amundi's and UniCredit's Boards of Directors, is subject to customary closing conditions, regulatory and antitrust approvals. The transaction is expected to close in the first half of 2017.

The acquisition of Pioneer is expected to be accretive to Crédit Agricole S.A. earnings per share by more than 5%<sup>13</sup>, taking into account the full-year effect of synergies and excluding restructuring costs.

The impact of the transaction on the Crédit Agricole SA CET1 fully-loaded ratio is estimated at c.(55)-(85)bps<sup>14</sup> depending on the final terms of the financing of the transaction. Crédit Agricole S.A. dividend policy will remain unchanged.

Commenting on the acquisition, Dominique Lefebvre, Chairman of the Board of Directors of Crédit Agricole SA, said "The acquisition of Pioneer by Amundi is perfectly consistent with what we envisaged in Crédit Agricole's Medium Term Plan Strategic Ambition 2020."

"Among our objectives of organic growth and cost control, Crédit Agricole is proud to support financially this transaction which allows Amundi to confirm its leadership positions in a consolidating market." stated Philippe Brassac, Chief Executive Officer of Crédit Agricole S.A.

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<sup>13</sup> EPS accretion calculated on 2017 EPS assuming full-year effect of synergies are realised, excluding amortization of intangible assets and integration costs. 2017 EPS based on Crédit Agricole SA company-collected consensus estimated net income of €3,047m, adjusted of AT1 coupon of €465m.

<sup>14</sup> Range of impact corresponds to a participation of Crédit Agricole Group to the Amundi capital increase with a targeted pro forma ownership of 66.7% and 75.6%. For Crédit Agricole Group, under the same assumptions, the impact will be (30)-(50)bps.

## SUBSCRIPTION AND SALE

### Subscription Agreement

The Issuer has entered into an Amended and Restated Dealer Agreement dated 23 March 2016 with the Dealer and Arranger named in it in respect of the EMTN Programme, as amended by an amendment letter dated 21 November 2016 entered into between the Issuer and the Dealer and Arranger (and as further modified and/or supplemented and/or restated at the Issue Date of the relevant Notes, the “**Dealer Agreement**”).

Pursuant to a Subscription Agreement dated 14 December 2016 (the “**Subscription Agreement**”) supplementing the provisions of the Dealer Agreement and entered into between the Issuer, Crédit Agricole Corporate and Investment Bank (the “**Lead Manager**”) and Commerzbank Aktiengesellschaft, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc and Natixis (the “**Joint Lead Managers**”) and, together with the Lead Manager, the “**Managers**”), the Managers have agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscription and payment for the Notes at an issue price equal to 99.504 per cent. of the principal amount less the commission agreed between the Issuer and the Managers. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

### Selling Restrictions

Please refer to the section “*Selling Restrictions*” in the section entitled “*Subscription and Sale*” set out on pages 279-284 of the Base Prospectus and to the section entitled “*Update to Subscription and Sale*” set out on page 37 of the Fourth Supplement which are incorporated by reference herein, providing that references in such sections “*Subscription and Sale*” of the Base Prospectus and “*Update to Subscription and Sale*” of the Fourth Supplement “to the “relevant Final Terms” and the “Dealers” shall be deemed to refer to the “Drawdown Prospectus” and to the “Managers” respectively.

## **SENIOR, SUBORDINATED AND SENIOR NON-PREFERRED DEBT SECURITIES IN ISSUE**

Between 31 December 2015 and 8 December 2016, the Issuer's (parent company only) "debt securities in issue", for which the maturity date as of 8 December 2016 is more than one year, did not increase by more than €11,654 million, and "subordinated debt securities", for which the maturity date as of 8 December 2016 is more than one year, did not increase by more than €150 million. As of the date of this Drawdown Prospectus, the Issuer has no outstanding Senior Non-Preferred Obligations.

## GENERAL INFORMATION

1. The Notes have been accepted for clearance through Clearstream, Luxembourg (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg), Euroclear (1, boulevard du Roi Albert II, 1210 Bruxelles, Belgium) and Euroclear France (66, rue de la Victoire, 75009 Paris, France) with the common code 153828423. The International Securities Identification Number (ISIN) for the Notes is XS1538284230.
2. The issue of the Notes was decided by Olivier Bélorgey, *Directeur de la Gestion Financière* of Crédit Agricole S.A. on 13 December 2016, acting pursuant to the resolution of the board of directors (*conseil d'administration*) of the Issuer dated 8 March 2016.
3. Application has been made for the Notes to be listed and admitted to trading on Euronext Paris on 20 December 2016.
4. For the sole purpose of the admission to trading of the Notes on Euronext Paris, and pursuant to Articles L.412-1 and L.621-8 of the French *Code monétaire et financier*, this Drawdown Prospectus has been submitted to the AMF and received visa no. 16-587 dated 14 December 2016.
- 5.
6. The total expenses related to the admission to trading of the Notes are estimated to €12,000 (including AMF fees).
7. The Series Number of the Notes is 505 and the Tranche Number is 1.
8. The members of the board of directors (*conseil d'administration*) of the Issuer have their business addresses at the registered office of the Issuer.
9. The statutory auditors of the Issuer for the period covered by the historical financial information are ERNST & YOUNG et Autres (1/2, place des Saisons – 92400 Courbevoie – France) and PRICEWATERHOUSECOOPERS AUDIT (63, rue de Villiers – 92200 Neuilly-sur-Seine Cedex – France). They have audited and rendered unqualified audit reports on the financial statements of the Issuer for each of the financial years ended 31 December 2014 and 31 December 2015. Ernst & Young et Autres and Pricewaterhouse Coopers Audit, belong to the Compagnie Régionale des Commissaires aux Comptes de Versailles.
10. The yield of the Notes is 1.93 per cent. *per annum*, as calculated at the Issue Date on the basis of the issue price of the Notes. It is not an indication of future yield.
11. Save for any fees payable to the Managers, as far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue of the Notes.
12. Except as disclosed in this Drawdown Prospectus, and in any Document Incorporated by Reference, there has been no significant change in the financial or trading position of the Issuer since 30 September 2016.
13. Except as disclosed in this Drawdown Prospectus, and in any Document Incorporated by Reference, there has been no material adverse change in the prospects of the Issuer since 31 December 2015.
14. Except as disclosed in this Drawdown Prospectus and in any Document Incorporated by Reference, there are no governmental, legal or arbitration proceedings pending or, to the Issuer's knowledge, threatened against the Issuer, or any subsidiary of the Issuer during the 12 months prior to the date hereof which may have or have had in the recent past a significant effect, in the context of the issue of the Notes, on the financial position or profitability of the Issuer or any subsidiary of the Crédit Agricole S.A. Group.
15. For the period of twelve (12) months following the date of approval by the AMF of this Drawdown Prospectus, copies of this Drawdown Prospectus, the Documents Incorporated by Reference, the Agency Agreement and the *statuts* (by-laws) of the Issuer will be available for inspection and copies of the most recent annual financial statements of the Issuer will be obtainable, free of charge, at the

specified offices for the time being of the Paying Agent during normal business hours. This Drawdown Prospectus and all the Documents Incorporated by Reference are also available (i) on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and/or (ii) on the Issuer's website ([www.credit-agricole.com](http://www.credit-agricole.com)).

#### **REGISTERED OFFICES OF THE ISSUER**

##### **Crédit Agricole S.A. London branch**

Broadwalk House  
5 Appold Street  
London  
EC2A 2DA  
United Kingdom

#### **GLOBAL COORDINATOR, SOLE STRUCTURING ADVISOR AND SOLE BOOKRUNNER**

##### **Crédit Agricole Corporate and Investment Bank**

12 place des États-Unis  
92127 Montrouge Cedex  
France

#### **JOINT LEAD MANAGERS**

##### **Commerzbank**

##### **Aktiengesellschaft**

Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

##### **Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

##### **HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

##### **J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

##### **Natixis**

30, avenue Pierre Mendès-France  
75013 Paris  
France

#### **FISCAL AGENT, PRINCIPAL PAYING AGENT**

##### **Crédit Agricole S.A.**

12 place des États-Unis  
92127 Montrouge Cedex  
France

#### **ISSUING AGENT**

##### **Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

#### **ADDITIONAL PAYING AGENT**

##### **CACEIS Bank Luxembourg**

5 Allée Schaeffer  
L-2520 Luxembourg  
Luxembourg

#### **PARIS PAYING AGENT**

##### **CACEIS Corporate Trust**

14 rue Rouget de Lisle  
92862 Issy les Moulineaux  
France

## **STATUTORY AUDITORS**

**Ernst & Young et Autres**  
1 / 2, place des Saisons  
92400 Courbevoie – Paris – La Défense  
France

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92200 Neuilly-sur-Seine  
France

## **LEGAL ADVISERS**

### **To the Issuer**

**Cleary Gottlieb Steen & Hamilton LLP**  
12, rue de Tilsitt  
75008 Paris  
France

### **To the Managers**

**Linklaters LLP**  
25, rue de Marignan  
75008 Paris  
France