

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN THE REPUBLIC OF ITALY.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Exchange and Tender Offer Memorandum, whether received by e-mail or otherwise received as a result of electronic communication and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached document. In accessing the attached Exchange and Tender Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: You have been sent the attached on the basis that you have confirmed to BNP Paribas (the **Arranger**) and/or Lucid Issuer Services Limited (the **Principal Exchange and Tender Agent**) and/or BGL BNP Paribas (the **Luxembourg Exchange and Tender Agent** and, together with the Principal Exchange and Tender Agent, the **Exchange and Tender Agents**) that (i) you are a holder or a beneficial owner of the Existing Notes, (ii) you are not a person to whom it is unlawful to send the attached Exchange and Tender Offer Memorandum or to make an invitation under the Offers contemplated in the attached Exchange and Tender Offer Memorandum under applicable laws and (iii) that you consent to delivery by electronic transmission.

NOTHING IN THIS EXCHANGE AND TENDER OFFER MEMORANDUM CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NEW NOTES (AS DEFINED IN THE ATTACHED EXCHANGE AND TENDER OFFER MEMORANDUM) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ARE BEING OFFERED AND DELIVERED WITHIN THE UNITED STATES IN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IN RELIANCE ON SECTION 3(a)(9) THEREOF.

THE ATTACHED EXCHANGE AND TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE ATTACHED EXCHANGE AND TENDER OFFER MEMORANDUM IS BEING DISTRIBUTED ONLY TO PERSONS TO WHOM IT IS LAWFUL TO SEND THE ATTACHED EXCHANGE AND TENDER OFFER MEMORANDUM. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF APPLICABLE SECURITIES LAWS OF RELEVANT JURISDICTIONS.

THE OFFER IS NOT BEING MADE IN THE REPUBLIC OF ITALY. THE OFFER AND THE ATTACHED EXCHANGE AND TENDER OFFER MEMORANDUM HAVE NOT BEEN SUBMITTED TO THE CLEARANCE PROCEDURES OF THE COMMISSIONE NAZIONALE PER LE SOCIETÀ E LA BORSA (CONSOB) PURSUANT TO ITALIAN LAWS AND REGULATIONS.

This Exchange and Tender Offer Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Arranger, and/or the Exchange and Tender Agents or any person who controls, or is a director, officer, employee or agent of the Arranger and/or the Exchange and Tender Agents, nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Exchange and Tender Offer Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Arranger.

You are reminded that the attached Exchange and Tender Offer Memorandum has been delivered to you on the basis that you are a person into whose possession this Exchange and Tender Offer Memorandum may be lawfully delivered

in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Exchange and Tender Offer Memorandum to any other person.

Any materials relating to the Offers do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law.

The Exchange and Tender Offer Memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

Restrictions: The Offers and the Exchange and Tender Offer Memorandum are, respectively, subject to offer and distribution restrictions in, among other countries, Belgium, France, Italy and the United Kingdom. The Exchange and Tender Offer Memorandum does not constitute an invitation to participate in the Offers in any jurisdiction in which, or to any person to whom, the making of such invitation would not be in compliance with the laws or regulations of such jurisdiction.



BNP PARIBAS

(INCORPORATED AS A *SOCIÉTÉ ANONYME* IN FRANCE)

EXCHANGE AND TENDER OFFER MEMORANDUM DATED 17 NOVEMBER 2009 **OFFER COMBINING AN EXCHANGE OFFER AND A TENDER OFFER**

INVITATION BY BNP PARIBAS (THE ISSUER) **TO HOLDERS OF**

US\$200,000,000 Undated Subordinated Floating Rate Securities issued by Banque Paribas (now, BNP Paribas)
of which US\$23,715,000 are currently outstanding (ISIN: LU0002906534)
(the **Series 1 Existing Notes**)

and

US\$400,000,000 Undated Subordinated Floating Rate Securities issued by Banque Paribas (now, BNP Paribas)
of which US\$165,285,000 are currently outstanding (ISIN: GB0040811647)
(the **Series 2 Existing Notes**)

and

US\$500,000,000 Undated Subordinated Floating Rate Notes issued
by Banque Nationale de Paris (now, BNP Paribas) (ISIN: FR0008131403)
(the **Series 3 Existing Notes** and, together with the Series 1 Existing Notes and the Series 2 Existing Notes,
the **Existing Notes**)

TO OFFER TO EXCHANGE (the **Exchange Offer)**

any and all of such Existing Notes for

US\$ Undated Deeply Subordinated Floating Rate Notes to be issued by BNP Paribas
(the **Series 1 New Notes**)

or

US\$ Undated Deeply Subordinated Fixed to Floating Rate Notes to be issued by BNP Paribas
(the **Series 2 New Notes** and, together with the Series 1 New Notes, the **New Notes**)

OR

TO SELL (the **Tender Offer and together with the Exchange Offer, the **Offers**)**

ANY OR ALL OF SUCH EXISTING NOTES FOR A CASH PAYMENT

Arranger and Structuring Adviser
BNP PARIBAS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Not for distribution to any person located or resident in the Republic of Italy. The Offers are not being made to, and any offers will not be accepted from, or on behalf of, Holders in any jurisdiction in which the making of the Offers would not be in compliance with the laws or regulations of such jurisdiction. See "Offer Restrictions" herein.

This Exchange and Tender Offer Memorandum contains and incorporates by reference important information which should be read carefully before any decision is made to participate in the Offers. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice, including in respect of any tax consequences, immediately from your stockbroker, bank manager, accountant or other independent financial adviser.

Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to participate in the Offers. None of BNP Paribas (the Arranger), Lucid Issuer Services Limited (the Principal Exchange and Tender Agent) or BGL BNP Paribas (the Luxembourg Exchange and Tender Agent) (or their respective directors, employees or affiliates) makes any recommendation as to whether or not Holders should offer the Existing Notes for exchange or sale.

Unless otherwise defined herein or the context otherwise requires, capitalised expressions used in this Exchange and Tender Offer Memorandum shall have the meanings set out under "Definitions" herein.

The Issuer hereby invites the Holders (subject as set out under "Offer Restrictions") to offer to exchange any or all of their outstanding Existing Notes for the New Notes (the **Exchange Offer**) or to offer to sell any or all of their outstanding Existing Notes for a cash payment (the **Tender Offer** and together with the Exchange Offer, the **Offers**) on the terms and subject to the conditions set out in this Exchange and Tender Offer Memorandum.

Under the terms of the Offers, Holders are invited to offer to (i) exchange their Existing Notes at the Exchange Price for such Series of Existing Notes and/or (ii) sell their Existing Notes for the relevant Tender Price.

THE OFFERS WILL BEGIN AT 8.00 A.M., LONDON TIME, ON 18 NOVEMBER 2009 AND EXPIRE AT 4.00 P.M., LONDON TIME, ON 17 DECEMBER 2009, UNLESS EXTENDED AS PROVIDED IN THIS EXCHANGE AND TENDER OFFER MEMORANDUM. OFFERS TO EXCHANGE OR OFFERS TO SELL MAY BE WITHDRAWN AT ANY TIME UP TO 4.00 P.M., LONDON TIME, ON 17 DECEMBER 2009, AFTER WHICH TIME ALL OFFERS TO EXCHANGE OR SELL SHALL BE IRREVOCABLE.

The Electronic Instruction or Definitive Notes Instruction received by the Exchange and Tender Agents cannot be revoked except in the limited circumstances described in "Terms of the Offers – Withdrawal Rights" below.

The denomination of the New Notes is US\$2,000. However, the New Notes are being offered for exchange in minimum amounts of US\$80,000 (the **Minimum New Note Amount**). Holders of Existing Notes must deliver a principal amount of Existing Notes (the **Minimum Delivery Amount**) sufficient to allow them to receive the relevant Minimum New Note Amount, or their Existing Notes will not be accepted for exchange. There is no minimum amount for Existing Notes presented in the Tender Offer.

The Issuer may, in its sole discretion, extend, re-open, amend or waive any condition of the Offers at any time (subject to applicable law and as provided in this Exchange and Tender Offer Memorandum). Details of any such extension, amendment or waiver (if permitted) will be announced wherever applicable as provided in this Exchange and Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

The New Notes will be issued in dematerialised bearer form (*au porteur*). Title to the New Notes will be evidenced in accordance with Article L.211-3 of the French *Code monétaire et financier* by book entries (*inscription en compte*) in the books of Euroclear France, which shall credit, upon issue, the accounts of Account Holders. **Account Holder** shall mean any authorised financial intermediary institution entitled to hold accounts, directly on behalf of its customers with Euroclear France, or indirectly, via the depositary banks for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**).

Questions and requests for assistance in connection with (i) the Offers may be directed to the Arranger and (ii) the delivery of the Definitive Notes Instruction and the Electronic Instruction may be directed to the Exchange and Tender Agents, the contact details of which are on the last page of this Exchange and Tender Offer Memorandum.

Before making any decisions in respect of the Offers, Holders should carefully consider all of the information in this Exchange and Tender Offer Memorandum and, in particular, the Risk Factors set out under "Risk Factors" below.

The *Commission de Surveillance du Secteur Financier* (the **CSSF**) is the competent authority in Luxembourg for the purpose of Directive n°2003/71/EC (the **Prospectus Directive**) and the Luxembourg law on prospectuses for securities of 10 July 2005, for the purpose of approving this Exchange and Tender Offer Memorandum as a prospectus as defined by and in accordance with the Prospectus Directive (a **Prospectus**). This document constitutes a Prospectus for the purposes of the Prospectus Directive. Application has been made for the New Notes to be listed on the Official List of the Luxembourg Stock Exchange (the **Luxembourg Stock Exchange**) and to be traded on the regulated market of the Luxembourg Stock Exchange, which is an EU regulated market within the meaning of Directive 2004/39/EC (a **Regulated Market**). **Application has been made to the CSSF to approve this Exchange and Tender Offer Memorandum solely for the purpose of admitting the New Notes to trading on the Regulated Market of the Luxembourg Stock Exchange.**

The New Notes are expected to be assigned upon issue a rating of [A negative outlook] by Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., [Aa3] (under review for possible downgrade) by Moody's Investor Service, Inc. and [AA- negative outlook] by Fitch Ratings. Furthermore, Moody's Investor Services, Inc. has announced a potential change to its rating methodology for this type of instruments. Should such change be implemented as proposed, the ratings of the New Notes could potentially be negatively affected by a multi-notch downgrade. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

The Offers and the distribution of this Exchange and Tender Offer Memorandum in Belgium, France, Italy and the United Kingdom is restricted by the laws of those jurisdictions. In the United States, the Offers and the distribution of this Exchange and Tender Offer Memorandum may only be made in compliance with the securities laws of any state of the United States of America and in reliance on Section 3(a)(9) of the United States Securities Act of 1933, as amended (the **Securities Act**). No action has been or will be taken in any jurisdiction in relation to the Exchange

Offer that would permit a public offering of securities, other than in Luxembourg. **The Offers are not being made in the Republic of Italy. The Offers and the Exchange and Tender Offer Memorandum have not been submitted to the clearance procedures of the *Commissione Nazionale per le Società e le Borse* (CONSOB) pursuant to Italian laws and regulations.**

OTHER IMPORTANT NOTICE – MEETINGS OF HOLDERS

(i) Holders whose Existing Notes offered for exchange are not accepted, or who do not participate in the Exchange Offer, will not be eligible to receive New Notes in exchange for such Existing Notes and shall continue to hold such Existing Notes subject to their terms and conditions; (ii) Holders whose Existing Notes tendered are not accepted, or who do not participate in the Tender Offer, shall continue to hold such Existing Notes subject to their terms and conditions; in each case unless the resolution referred to below is approved in relation to the relevant Series of Existing Notes.

A meeting of the Holders of the Series 1 Existing Notes and a meeting of the Holders of the Series 2 Existing Notes will be held on 9 December 2009 on first call (and, if necessary, on 23 December 2009 on second call) in order to vote on a resolution submitted by the Issuer requesting each such meeting to approve the proposal of the Issuer to exchange the principal amount of Existing Notes of that Series outstanding after the end of the Offer Period for a principal amount of Series 1 New Notes on the basis of the relevant Exchange Price. Such exchange is one of the matters which such a meeting of Holders has power to sanction under the relevant provisions applicable to the Series 1 Existing Notes and the Series 2 Existing Notes. The relevant exchange will occur on the Settlement Date at the same time as the settlement of the Offers described in this Exchange and Tender Offer Memorandum. The text of the resolutions to be voted upon at the Holders' meetings is set out in Part C of "Terms and Conditions of the New Notes and Forms" for information purposes only. Any Holders of Series 1 Existing Notes and Series 2 Existing Notes will only continue to be Holders thereof to the extent that such resolutions are not passed. Otherwise all Holders of Series 1 Existing Notes and Series 2 Existing Notes will have such Notes exchanged in accordance with the resolutions.

BNP Paribas (the **Issuer** or the **Responsible Person**) accepts responsibility for the information contained in this Exchange and Tender Offer Memorandum. To the best of the knowledge and belief of the Responsible Person (which has taken all reasonable care to ensure that such is the case) the information contained in this Exchange and Tender Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each Holder is solely responsible for making its own independent appraisal of all matters (including those relating to the Exchange Offer, the Tender Offer, the New Notes and the Issuer) as such Holder deems appropriate, and each Holder must make its own decision as to whether to offer to exchange or tender Existing Notes and, if so, the aggregate principal amount of Existing Notes to offer to exchange or tender. Lucid Issuer Services Limited (the **Principal Exchange and Tender Agent**) and BGL BNP Paribas (the **Luxembourg Exchange and Tender Agent** and, together with the Principal Exchange and Tender Agent, the **Exchange and Tender Agents** and each an **Exchange and Tender Agent**) are each an agent of the Issuer and owe no duty to any Holder. None of the Arranger or the Exchange and Tender Agents (or their respective directors, employees or affiliates) makes any representation or recommendation whatsoever regarding this Exchange and Tender Offer Memorandum, the Exchange Offer or the Tender Offer, or any recommendation as to whether Holders of Existing Notes should participate in the Exchange Offer or Tender Offer.

No person has been authorised to give any information or to make any representation about the Issuer or the Offers other than as contained in this Exchange and Tender Offer Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, the Exchange and Tender Agents or any of their respective agents.

Neither the delivery of this Exchange and Tender Offer Memorandum nor any acceptance of an offer to exchange by a Holder shall, under any circumstances, create any implication that the information contained herein is current as at any time subsequent to the date of such information or that there has been no change in the information set out in it or in the affairs of the Issuer and its subsidiaries taken as a whole, since the date of this Exchange and Tender Offer Memorandum.

The New Notes offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Exchange and Tender Offer Memorandum. Any representation to the contrary is a criminal offence in the United States.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

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

In this Exchange and Tender Offer Memorandum, unless otherwise specified or the context otherwise requires, references to "USD", "\$", "US\$" or "US Dollar" refer to the lawful currency of the United States of America, "£", "pounds", "sterling", "penny" and "pence" are to pounds sterling and references to "€" or "euro" refer to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.

The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Offers in, from or otherwise involving the United Kingdom.

Holders may contact the Arranger for assistance in answering questions concerning the terms of the Offers using the contact details set out on the back cover page of this Exchange and Tender Offer Memorandum. Questions relating to the procedures for exchange or tender, including the delivery of the Offer Instructions and the blocking of Existing Notes with Euroclear, or Clearstream, Luxembourg, should be addressed exclusively to the Exchange and Tender Agents using the correct details set out on the back cover page of this Exchange and Tender Offer Memorandum. All procedures relating to the Offers may be conducted through, and all information relating to the Offers and the Existing Notes (including copies of this Exchange and Tender Offer Memorandum) may, subject as set out under "Offer Restrictions" below, be obtained from, the Arranger.

Unless the context otherwise requires, all references in this Exchange and Tender Offer Memorandum to Holders include:

- each Direct Participant in respect of such Existing Notes;*
- each Beneficial Owner of the Existing Notes holding such Existing Notes, directly or indirectly, in an account in the name of a Direct Participant acting on such Beneficial Owner's behalf;*
- each holder of bearer definitive Existing Notes; and*
- each registered holder of Existing Notes*

except that for the purposes of the exchange of Existing Notes for New Notes or the tender of Existing Notes and the payment of the Tender Price and any other cash amount (if applicable), to the extent the Beneficial Owner of the relevant Existing Notes is not a Direct Participant, the relevant New Notes, Tender Price and/or other cash amount will only be delivered and paid to the relevant Direct Participant and the delivery and payment of such New Notes, Tender Price and/or other cash amount to such Direct Participant will satisfy any obligations of the Issuer, the Exchange and Tender Agents and the relevant Clearing System in respect of the exchange or tender of such Existing Notes as applicable.

In the case of Holders who deliver or procure delivery of Definitive Existing Notes in accordance with the Definitive Notes Instruction, such Holders shall receive the relevant New Notes or Tender Price and/or any cash amounts to such account as specified in the relevant Definitive Notes Instruction submitted by them and payment and/or delivery as aforesaid will satisfy any obligation of the Issuer and the relevant Exchange and Tender Agent in respect of the exchange and/or tender of such Existing Notes, as applicable.

The Arranger is not entitled to hold positions in the Existing Notes. Any Existing Notes validly exchanged or tendered in the context of the Offers will be cancelled.

For the avoidance of doubt, any references in this Exchange and Tender Offer Memorandum to the Offers being made to Holders of Existing Notes, and related references, shall be deemed to be references to the Offers being made to those Holders who comply with the restrictions set out under "Offer Restrictions" below.

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DOCUMENTS INCORPORATED BY REFERENCE

This Exchange and Tender Offer Memorandum should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Exchange and Tender Offer Memorandum and that have been filed with the Luxembourg competent authority for the purpose of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg, and shall be incorporated in, and form part of, this Exchange and Tender Offer Memorandum:

- the English translation of BNP Paribas' *Document de Référence* filed with the Autorité des Marchés Financiers (AMF) on 13 March 2008 (the **2007 Registration Document**) and BNP Paribas' *Document de Référence* filed with the AMF on 11 March 2009 (the **2008 Registration Document**) containing respectively the audited consolidated financial statements of BNP Paribas in English as at, and for the years ended, 31 December 2007 and 2008 (the **BNP Paribas 2007 Financial Statements** and the **BNP Paribas 2008 Financial Statements**, respectively) and;
- the English translation of BNP Paribas' *Actualisations du Document de Référence* filed on 14 May 2009 (the **1st Update to the 2008 Registration Document**), on 7 August 2009 (the **2nd Update to the 2008 Registration Document and Semi Annual Financial Report**), and on 10 November 2009 (the **3rd Update to the 2008 Registration Document**) (together, the **Updates to the 2008 Registration Document**);

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Exchange and Tender Offer Memorandum to the extent that such statement is inconsistent with a statement contained in this Exchange and Tender Offer Memorandum.

The information incorporated by reference above is available as follows:

Annex 11 to European Regulation n° 809/2004	3rd Update to the 2008 Registration Document	2 nd Update to the 2008 Registration Document and Semi Annual Financial Report	1 st Update to the 2008 Registration Document	2008 Registration Document	2007 Registration Document
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Any information not listed in the above cross reference list but included in the documents incorporated by reference is given for information purposes only.

The Issuer will provide, without charge, to each person to whom a copy of this Exchange and Tender Offer Memorandum has been delivered, upon the oral or written request of such person, a copy of any or all of the documents

which are incorporated in whole or in part by reference herein. Written or oral requests for such documents should be directed to the attention of Liability Management at BNP Paribas, 10 Harewood Avenue, London NW1 6AA, e-mail: liability.management@bnpparibas.com. Such documents will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

OFFER RESTRICTIONS

This Exchange and Tender Offer Memorandum does not constitute an offer or an invitation to participate in the Offers in any jurisdiction in or from which, or to any person to whom, it is unlawful to make such offer or invitation under applicable laws. The distribution of this Exchange and Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Exchange and Tender Offer Memorandum comes are required by each of the Issuer, the Arranger and the Exchange and Tender Agents to inform themselves about, and to observe, any such restrictions.

*No action has been or will be taken in any jurisdiction by the Issuer, the Arranger or the Exchange and Tender Agents that would constitute a public offering of the New Notes, other than in Luxembourg. The Exchange Offer comprises an offer of securities to the public for the purposes of EU Directive 2003/71/EC (the **Prospectus Directive**).*

*However, the New Notes are being offered for exchange in minimum amounts of US\$80,000 (the **Minimum New Note Amount**). Holders of Existing Notes must deliver a principal amount of Existing Notes (the **Minimum Delivery Amount**) sufficient to allow them to receive the relevant Minimum New Note Amount, or their Existing Securities will not be accepted for exchange. There is no minimum amount for Existing Notes presented in the Tender Offer.*

Belgium

The Offers are not being made, directly or indirectly, to the public in Belgium. Neither the Offers nor this Exchange and Tender Offer Memorandum has been notified to the Belgian Banking, Finance and Insurance Commission (*Commission bancaire, financière et des assurances*) pursuant to Article 18 of the Belgian law of 22 April 2003 on the public offering of securities (the **Law on Public Offerings**) nor has this Exchange and Tender Offer Memorandum been, nor will it be, approved by the Belgian Banking, Finance and Insurance Commission pursuant to Article 14 of the Law on Public Offerings. Accordingly, the Offers may not be advertised and both this Exchange and Tender Offer Memorandum and any other information circular, brochure or similar document relating to the Offers may be distributed, directly or indirectly, in Belgium only to qualified investors referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting for their own account.

France

The Offers are not being made, directly or indirectly, to the public in France and only persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or qualified investors (*investisseurs qualifiés*) acting for their own account (with the exception of individuals) all as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier* are eligible to participate in the Offers. The Exchange and Tender Offer Memorandum and any other offering material relating to the Offers have not been and shall not be or caused to be distributed to the public in France. This Exchange and Tender Offer Memorandum has not been submitted to the clearance of the *Autorité des marchés financiers*.

Italy

The Offers are not being made in the Republic of Italy. The Offers and this Exchange and Tender Offer Memorandum have not been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (CONSOB) pursuant to Italian laws and regulations. Accordingly, Holders are hereby notified that, to the extent such Holders are persons resident and/or located in the Republic of Italy, no Offer is available to them and they may not offer to exchange or sell Existing Notes pursuant to the Offers nor may the New Notes be offered, sold or delivered in the Republic of Italy and, as such, any Offer Instruction (as defined below) received from or on behalf of such persons shall be ineffective and void, and neither this Exchange and Tender Offer Memorandum nor any other offering material relating to the Offers, the Existing Notes or the New Notes may be distributed or made available in the Republic of Italy.

United Kingdom

The communication of this Exchange and Tender Offer Memorandum is not being made and this Exchange and Tender Offer Memorandum has not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. This Exchange and Tender Offer Memorandum is only for circulation to persons within the United Kingdom falling within the definition of Investment Professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**)) or within Article 43 of the Order, or other persons to whom it may lawfully be communicated in accordance with the Order.

United States

The Existing Notes and the New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States. The New Notes are being offered and will be delivered within the United States of America in transactions exempt from the registration requirements of the Securities Act in reliance on Section 3(a)(9) thereof and in compliance with the securities laws of any state or jurisdiction of the United States.

General

The Arranger and the Exchange and Tender Agents (and their respective directors, employees or affiliates) make no representations or recommendations whatsoever regarding this document or the Offers. The Exchange and Tender Agents are the agents of the Issuer and owe no duty to any Holder. None of the Issuer, the Arranger or either Exchange and Tender Agent makes any recommendation as to whether or not Holders of Existing Notes should participate in the Offers.

The Offers do not constitute an offer to buy or the solicitation of an offer to sell the Existing Notes and/or the New Notes in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities or other laws require the Offers to be made by a licensed broker or dealer and either of the Arranger or any of its affiliates is such a licensed broker or dealer in that jurisdiction, the Offers shall be deemed to be made on behalf of the Issuer by such Arranger or affiliate (as the case may be) in such jurisdiction.

EXPECTED TIMETABLE

The below times and dates are subject, where applicable, to the right of the Issuer to extend, re-open, amend and/or terminate the Exchange Offer and/or the Tender Offer. All references to time are to London time.

Events	Dates and Times
Notice convening a meeting of the Holders of Series 1 Existing Notes and Series 2 Existing Notes for a meeting of the Holders on first call to be published in the Financial Times, in the <i>Luxemburger Wort</i> and on the website of the Luxembourg Stock Exchange (www.bourse.lu).	17 November 2009
Announcement by the Issuer of the Offers submitted to the Clearing Systems, released to the relevant Notifying News Services and published on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).	18 November 2009
Exchange and Tender Offer Memorandum available from the Arranger.	17 November 2009
Commencement of the Offer Period	18 November 2009 8.00 a.m.
Meeting on first call of Holders of Series 1 Existing Notes and Series 2 Existing Notes.	9 December 2009
Notice of results of meeting on first call of Holders of Series 1 Existing Notes and Series 2 Existing Notes published in the Financial Times, in the <i>Luxemburger Wort</i> and on the website of the Luxembourg Stock Exchange (www.bourse.lu).	11 December 2009
Notice convening a meeting of the Holders of Series 1 Existing Notes and/or Series 2 Existing Notes for a meeting of the Holders on second call, to be published in the Financial Times, in the <i>Luxemburger Wort</i> and on the website of the Luxembourg Stock Exchange (www.bourse.lu).	
Expiration Date and Time	
Deadline for receipt of all Offer Instructions.	17 December 2009 4.00 p.m.
End of the Offer Period.	

Announcement of Offer Results

Announcement by the Issuer detailing the aggregate principal amounts of each Series of Existing Notes validly submitted and accepted by the Issuer for (i) exchange and (ii) purchase and the Coupon for the Series 2 New Notes Fixed Period, all being published on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu). 22 December 2009

Meeting on second call of Holders of Series 1 Existing Notes and/or Series 2 Existing Notes. 23 December 2009

Notice of results of meeting on second call of Holders of Series 1 Existing Notes and Series 2 Existing Notes published in the Financial Times and in the *Luxemburger Wort*. 30 December 2009

Settlement Date

Settlement Date for the Exchange Offer, including (i) delivery of the New Notes, in exchange for Existing Notes validly offered for Exchange and accepted, and (ii) payment of Cash Rounding Amount (if any) and Accrued Interest. 30 December 2009

Settlement Date for the Tender Offer, including payment of Tender Price and Accrued Interest.

Effective date for the exchange of the Series 1 Existing Notes and the Series 2 Existing Notes following the approval (if given) of the proposal by the meetings of Holders and delivery of the New Notes in exchange for the Series 1 Existing Notes and the Series 2 Existing Notes and payment of Cash Rounding Amount (if any).

Holders are advised to check with any bank, securities broker, Clearing Systems or other Intermediary through which they hold their Existing Notes whether such Intermediary applies different deadlines for any of the events specified above, and then to allow for such deadlines if such deadlines are prior to the deadlines set out above.

Unless stated otherwise, announcements will be made by the Issuer by (i) the issue of a press release to a Notifying News Service, (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants and (iii) by publication on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu). Holders of Existing Notes may contact the Arranger or the Exchange and Tender Agents for information and copies of all announcements, press releases and notices by using the contact details which are on the back cover page of this Exchange and Tender Offer Memorandum.

DEFINITIONS

Capitalised terms used but not defined in this Exchange and Tender Offer Memorandum shall, unless the context otherwise requires, have the meanings set out in the Conditions.

Accrued Interest	In respect of US\$1,000 or US\$10,000, as the case may be, in aggregate principal amount of each Series of Existing Notes, the amount of accrued and unpaid interest in respect of the Existing Notes of such Series which have been accepted for exchange pursuant to the Exchange Offer or accepted for repurchase pursuant to the Tender Offer, from (and including) the immediately preceding interest payment date to (but excluding) the Settlement Date, calculated in accordance with the Conditions of such Existing Notes and set out in "Terms of the Offers – Exchange Price, Tender Price, Minimum New Note Amount, Minimum Delivery Amount, Accrued Interest"..
Arranger and Structuring Advisor	BNP Paribas.
Beneficial Owner	A person who is the owner of an interest in a particular principal amount of the Existing Notes.
Business Day	A day other than a Saturday or Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London.
Cash Rounding Amount	The amount in cash (rounded to the nearest US\$0.01, with half a cent being rounded upwards) to be paid by the Issuer to a Holder on the Settlement Date for any fractional portion of New Notes that such Holder would otherwise be entitled to receive as a result of the application of the relevant Exchange Price that is not an integral multiple of US\$2,000, which is to be calculated in the manner described in "Terms of the Offers – Exchange Price, Tender Price, Minimum New Note Amount, Minimum Delivery Amount, Accrued Interest."
Clearing System Notice	The notice to be sent to Direct Participants by each of the Clearing Systems on or about the date of this Exchange and Tender Offer Memorandum informing Direct Participants, <i>inter alia</i> , of the Offers.
Clearing Systems	Euroclear, Clearstream, Luxembourg and Euroclear France, as the case may be.
Clearstream, Luxembourg	Clearstream Banking, <i>société anonyme</i> .
Conditions	The terms and conditions of the relevant Series of Existing Notes.
Coupon for the Series 2 New Notes Fixed Period	The fixed interest rate payable under the Series 2 New Notes prior to their First Call Date.
Declaration and Indemnity	The declaration and indemnity set out in Part B of the Definitive Notes Instruction.
Definitive Existing Notes	Existing Notes in definitive physical form either in the form of bearer definitive Existing Notes or represented by registered certificate(s).
Definitive Notes Instruction	The form of instruction in or substantially in the form specified in Part D of "Terms and Conditions of the New Notes and Forms" and obtainable from the Exchange and Tender Agents (to the effect set

out in "Terms of the Offers – Procedure for Offering to Exchange or Offering to Sell Existing Notes"), which must be submitted to the Luxembourg Exchange and Tender Agent by Holders of Definitive Existing Notes held outside the Clearing Systems.

Direct Participant

Each person who is shown in the records of Euroclear or Clearstream, Luxembourg as a holder of Existing Notes.

Electronic Instruction

An electronic blocking instruction as specified by the relevant Clearing System (to the effect set out in "Terms of the Offers – Procedure for Offering to Exchange or Offering to Sell Existing Notes"), which must be submitted by either logging on to the electronic platform provided for this purpose by Euroclear and Clearstream, Luxembourg (as appropriate), currently being Euclid or CreationOnline respectively or sending a SWIFT or Telex or any other tested electronic message in accordance with the established procedures for communication with the relevant clearing system.

Euroclear

Euroclear Bank S.A./N.V.

Euroclear France

Euroclear France S.A.

Exchange Amount

The principal amount (rounded down to the nearest US\$2,000) of New Notes to be delivered to each Holder who validly tenders its Existing Notes in the Exchange Offer at or prior to the Expiration Time and whose Existing Notes are accepted for exchange, equal to the aggregate principal amount of such Existing Notes multiplied by the relevant Exchange Price.

Exchange and Tender Agents

The Principal Exchange and Tender Agent and the Luxembourg Exchange and Tender Agent.

Exchange and Tender Offer Memorandum

This Exchange and Tender Offer Memorandum dated 17 November 2009.

Exchange Offer

The invitation by the Issuer to Holders to offer to exchange Existing Notes for New Notes.

Exchange Price

In respect of each Series of Existing Notes, the price for each US\$1,000 or US\$10,000, as the case may be, in principal amount at which Existing Notes validly offered for exchange at or prior to the Expiration Time and accepted for exchange will be exchanged for the relevant Series of New Notes under the Exchange Offer, expressed as a percentage rounded to three decimal places.

Existing Notes

The Series 1 Existing Notes, the Series 2 Existing Notes and the Series 3 Existing Notes. The Series 1 Existing Notes and the Series 2 Existing Notes are governed by English law. The Series 3 Existing Notes are governed by French law.

Expiration Date

17 December 2009, subject to the right of the Issuer to extend, re-open, and/or amend the Offers pursuant to the provisions set out herein.

Expiration Time

4.00 p.m., London time, on the Expiration Date.

Holder

A holder of Existing Notes, being a Direct Participant or a Beneficial Owner, or in the case of Definitive Existing Notes in bearer form, the bearer of such Definitive Existing Notes or, in the case of Definitive Existing Notes in registered form, the registered holder

	thereof.
Intermediary	Any broker, dealer, commercial bank, trust company or other nominee or custodian who holds Existing Notes or an interest in Existing Notes on behalf of another person.
Issuer	BNP Paribas.
Luxembourg Exchange and Tender Agent	BGL BNP Paribas.
Minimum Delivery Amount	The minimum principal amount of Existing Notes that is sufficient to entitle a Holder to be eligible to receive, in accordance with the terms of the Exchange Offer, a principal amount of New Notes at least equal to the relevant Minimum New Note Amount.
Minimum New Note Amount	US\$80,000.
New Notes	The Series 1 New Notes and the Series 2 New Notes. The New Notes are governed by French law.
New Notes Conditions	The terms and conditions of the Series 1 New Notes and the terms and conditions of the Series 2 New Notes set out respectively in Part A and Part B of "Terms and Conditions of New Notes and Forms".
Notifying News Service	A recognised financial news service or services as selected by the Issuer (e.g. Reuters/Bloomberg).
Offers	The Exchange Offer and the Tender Offer.
Offer Instruction	An Electronic Instruction and/or a Definitive Notes Instruction.
Offer Period	From the commencement of the Offers at 8.00 a.m. (London time) on 18 November 2009 until the Expiration Time unless such period is extended, in relation to any Series, as described herein.
Principal Exchange and Tender Agent	Lucid Issuer Services Limited.
Results Announcement	The announcement by the Issuer, on 22 December 2009, of the aggregate principal amounts of each Series of Existing Notes accepted for (i) exchange and (ii) purchase by the Issuer and the Coupon for the Series 2 New Notes Fixed Period.
Securities Act	The United States Securities Act of 1933, as amended.
Series	A series of the Existing Notes or New Notes.
Series 1 New Notes	The US\$ Undated Deeply Subordinated Floating Rate Notes.
Series 2 New Notes	The US\$ Undated Deeply Subordinated Fixed to Floating Rate Notes.
Settlement Date	30 December 2009, being the date on which the Issuer will deliver, or procure the delivery of, through the Clearing Systems to each relevant Holder (i) the relevant New Notes in exchange for the relevant Existing Notes offered for exchange by such Holder and accepted for exchange pursuant to the Exchange Offer, (ii) the Accrued Interest and Cash Rounding Amount (if any) and/or (iii) the Tender Price for the relevant Existing Notes tendered by such Holder and accepted for purchase pursuant to the Tender Offer, as applicable.
Tender Amount	The cash amount payable to each Holder who validly tenders its Existing Notes in the Tender Offer at or prior to the Expiration Time and whose Existing Notes are accepted for purchase, equal to the

aggregate principal amount of such Existing Notes multiplied by the relevant Tender Price.

Tender Offer

The invitation by the Issuer to Holders to offer to sell Existing Notes for a cash payment.

Tender Price

In respect of each Series of Existing Notes, the price for each US\$1,000 or US\$10,000, as the case may be, in principal amount at which Existing Notes validly tendered at or prior to the Expiration Time and accepted for purchase will be purchased under the Tender Offer, expressed as a percentage rounded to three decimal places.

RISK FACTORS

The following section does not describe all of the risks for Holders participating in the Offers. Prior to making a decision as to whether to participate, Holders should consider carefully, in light of their own financial circumstances and investment objectives, all the information set out in this Exchange and Tender Offer Memorandum and, in particular, the following risk factors and those described in the Information Statement incorporated herein by reference in evaluating whether to participate in the Offers.

1 - Risk factors relating to the Issuer and its industry

Please refer to the section entitled "Documents Incorporated by Reference" on page 9 of this Exchange and Tender Offer Memorandum.

2 - Risk factors relating to the New Notes and the Offers

Risks Relating to the Offers

The trading market for each Series of Existing Notes not exchanged or tendered in the Offers may become more limited than it is at present and could for all practical purposes cease to exist, which could adversely affect the liquidity, market price and price volatility of the Existing Notes of that Series.

The Offers could result in a substantial or complete reduction in the principal amount outstanding of one or more series of Existing Notes. Therefore, the trading market for Existing Notes outstanding after the Offers are completed could become limited or nonexistent due to the reduction in the amount of Existing Notes outstanding.

BNP Paribas has decided to convene a meeting of the Holders of each of the Series 1 Existing Notes and Series 2 Existing Notes so as to propose to the Holders to exchange the Existing Notes which have not been exchanged or tendered in the course of the Offers against Series 1 New Notes. If such proposal is not adopted and, with respect to all Existing Notes, if a market for unexchanged or untendered Existing Notes exists after the consummation of the Offers, the Existing Notes may trade at a discount to the price at which they would have traded if the Offers had not been consummated, depending on prevailing interest rates, the market for similar securities and other factors. There can be no assurance that an active market in the unexchanged or untendered Existing Notes will exist or be maintained nor as to the prices at which the unexchanged or untendered Existing Notes may be traded.

The Existing Notes are listed on the Official List of the Luxembourg Stock Exchange, but some or all series of Existing Notes may not be actively traded. Quotations for securities that are not widely traded, such as the Existing Notes, may differ from actual trading prices and should be viewed as indications. Investors are urged to contact their brokers with respect to current market prices for the Existing Notes.

Differences between the Existing Notes and the New Notes

The financial terms and certain other conditions of the New Notes will be substantially different from those of the Existing Notes. Holders should consider the differences (which include, *inter alia*, the ranking, the interest provisions, the interest payment dates, the dates and events for early redemption, the consequences of the occurrence of a regulatory event (including loss absorption and return to profitability provisions), the governing law and central depository) closely. The full terms and conditions of the New Notes are set out in Part A and Part B of "Terms and Conditions of New Notes and Forms" below. Investors should carefully consider the differences between the New Notes and the related Existing Notes in deciding whether to deliver Existing Notes in connection with the Offers. In addition, Holders should be aware that the credit ratings assigned to the New Notes by any rating agency may be lower than those currently assigned to the Existing Notes.

Legality of Purchase

BNP Paribas nor any of its affiliates has or assumes responsibility for the lawfulness of the acquisition of the New Notes by a prospective investor in the New 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.

No Obligation to Accept Offers to Exchange or to Sell

BNP Paribas is under no obligation to accept offers to exchange or to sell. Offers to exchange or to sell may be rejected in the sole discretion of BNP Paribas for any reason and BNP Paribas is under no obligation to holders of Existing Notes to furnish any reason or justification for refusing to accept an offer to exchange or to sell. For example, Existing Notes delivered for exchange or sale may be rejected if the relevant Offer is terminated, if the Offers do not comply with the relevant requirements of a particular jurisdiction, or for other reasons.

Responsibility for complying with the procedures of the Offers

Holders are responsible for complying with all of the procedures for exchanging the Existing Notes pursuant to the terms of this Exchange and Tender Offer Memorandum. None of BNP Paribas or the Exchange and Tender Agents assume any responsibility for informing Holders of irregularities with respect to the Offers.

Completion, Termination and Amendment

Subject as provided herein, BNP Paribas may, in its sole discretion, extend, re-open or amend the Offers at any time prior to its announcement whether it accepts valid deliveries of Existing Notes for exchange or sale pursuant to the Offers and may, in its sole discretion, waive conditions to the Offers after this date.

Blocking or Restricting Transfer of Existing Notes

When considering whether to participate in the Offers, Holders should take into account that restrictions on the transfer of the Existing Notes will apply from the time of submission of an Offer Instruction until the valid revocation of such instruction. A Holder will, on submitting an Offer Instruction, agree that its Existing Notes will be blocked in the relevant account in the relevant Clearing System with the Exchange and Tender Agents or in the case of Definitive Existing Notes, delivered to and held by the Luxembourg Exchange and Tender Agent who will restrict their transfer, from the date the relevant Offer Instruction is submitted, and in the case of Definitive Existing Notes, the Definitive Existing Notes delivered, until the earlier of (i) the time of settlement on the Settlement Date and (ii) the date of any termination of the relevant Offer (including where such Existing Notes are not accepted by the Issuer for tender or exchange) or on which Offer Instruction is validly withdrawn.

Compliance with Offer Restrictions

Holders of Existing Notes are referred to the offer restrictions set forth at the beginning of this Exchange and Tender Offer Memorandum and the deemed representations and warranties on pages 40 to 42 of this Exchange and Tender Offer Memorandum. Non-compliance with the offer restrictions by a Holder could result in, among other things, an inability to validly deliver Existing Notes for tender or exchange or validly deliver New Notes.

The relevant Exchange Price may not reflect the market value of the corresponding New Notes after the Offer

The New Notes will be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. To the extent that the New Notes are traded, prices of the New Notes will fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Holders are urged to contact their brokers to obtain the best available information as to the potential market price of the New Notes and for advice concerning the effect of the applicable Exchange Price.

Risks Relating to the New Notes

The New Notes are deeply subordinated obligations

The Issuer's obligations under the New Notes are deeply subordinated obligations of the Issuer which are the most junior debt instruments of the Issuer, ranking *pari passu* among themselves and with all other present and future Parity Securities, and subordinated to and ranking behind the claims of all other unsubordinated and ordinarily subordinated creditors of the Issuer, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer. In the event of liquidation, the Issuer's obligations under the New Notes rank in priority only to any payments to holders of Equity Securities.

Consequences of the Eligibility as Tier 1 Capital

The terms and conditions of the New Notes are set so as to be eligible as Tier 1 Capital of the Issuer. See "Terms and Conditions of the Series 1 New Notes – status of the Notes and Subordination", "Terms and Conditions of the Series 2 New Notes – Status of the Notes and Subordination". Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Terms and Conditions of each Series of New Notes. One of these relates to the ability of the New Notes and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, in certain circumstances and/or upon the occurrence of certain events, payments of interest under the New Notes may be restricted and, in certain cases, forfeited and the amount of Broken Interest and the Current Principal Amount of the relevant New Notes may be reduced, nearly to zero. However, if the Issuer is liquidated, the nominal amount of the New notes will be automatically reinstated up to the Original Principal Amount. See "Terms and Conditions of the Series 1 New Notes – Loss Absorption and Return to Profitability" and "Terms and Conditions of the Series 2 New Notes – Loss Absorption and Return to Profitability".

The New Notes are undated securities

The New Notes are undated securities in respect of which there is no fixed redemption or maturity date. The Issuer is under no obligation to redeem the New Notes at any time (except as provided in "Terms and Conditions of the Series 1 New Notes – Redemption and Purchase" and "Terms and Conditions of the Series 2 New Notes – Redemption and Purchase").

The Holders have no right to require redemption of the New Notes, except if a judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason. See "Terms and Conditions of the Series 1 New Notes – Mandatory Redemption" and "Terms and Conditions of the Series 2 New Notes – Mandatory Redemption" below.

The New Notes may be redeemed under certain circumstances

The New Notes may be redeemed at the option of the Issuer (i) in whole (but not in part) on the First Call Date and on any Interest Payment Date thereafter and (ii) in whole (but not in part) at any time for certain tax or regulatory reasons. See “Terms and Conditions of the Series 1 New Notes – Redemption and Purchase” and “Terms and Conditions of the Series 2 New Notes – Redemption and Purchase”. In certain circumstances for tax reasons (see “Terms and Conditions of the Series 1 New Notes – Redemption and Purchase” and “Terms and Conditions of the Series 2 New Notes—Redemption and Purchase”), the Issuer will be required to redeem the New Notes in whole (but not in part). In each case, early redemption of the New Notes is subject to the prior approval of the Relevant Banking Regulator. There can be no assurance that Holders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the New Notes.

There are certain restrictions on payments under the New Notes

For so long as the mandatory interest provisions do not apply, the Issuer may elect, and in certain circumstances shall be required, not to pay interest falling due on the New Notes on any Interest Payment Date. Any interest not so paid on any such Interest Payment Date shall be forfeited and shall no longer be due and payable by the Issuer, save as otherwise provided. See “Terms and Conditions of the Series 1 New Notes – Interest and Interest Suspension” and “Terms and Conditions of the Series 2 New Notes – Interest and Interest Suspension”.

In addition, in certain circumstances, payment of interest will be suspended automatically upon the occurrence of a Capital Deficiency Event. See “Terms and Conditions of the Series 1 New Notes – Interest and Interest Suspension” and “Terms and Conditions of the Series 2 New Notes – Interest and Interest Suspension”.

Floating Rate

The Series 1 New Notes will bear interest at a floating rate (See “Terms and Conditions of the Series 1 New Notes – Interest and Interest Suspension.” The floating rate then applicable to such New Notes will comprise (i) a reference rate and (ii) a margin to be added to such reference rate. The relevant margin will change as from the First Call Date. Further, there will be a periodic adjustment of the reference rate (every three months) which itself will change in accordance with general market conditions. Accordingly, the market value of such New Notes may be volatile if changes (particularly short term changes) to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these New Notes upon the next periodic adjustment of the relevant reference rate.

Fixed to Floating Rate

The Series 2 New Notes initially bear interest at a fixed rate and convert to a floating rate automatically (See “Terms and Conditions of the Series 2 New Notes – Interest and Interest Suspension”). The conversion of the interest rate may impact the secondary market liquidity and the market value of such New Notes.

There is no limitation on issuing or guaranteeing debt

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

Credit ratings may not reflect all risks

Credit ratings are expected to be assigned to the New Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the New Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency.

The ratings of bank subordinated capital securities are assigned in line with Moody's Investor Services Inc. (**Moody's**) existing methodology entitled "Guidelines for Rating Bank Junior Securities", dated April 2007. In that respect, Moody's cautions however that it released a Request for Comment entitled, "Moody's Proposed Changes to Bank Subordinated Capital Ratings", dated 16 June 2009, requesting market feedback on potential changes to its bank hybrid rating methodology. Should Moody's implement this revised methodology as proposed, the ratings on the hybrid securities could potentially be negatively affected by a multi-notch downgrade. Please refer to Moody's Request for Comment, entitled "Moody's Proposed Changes to Bank Subordinated Capital Ratings", for further details regarding the implications of the proposed methodology changes on Moody's ratings.

There is no prior market for the New Notes

There is currently no existing market for the New Notes, and there can be no assurance that any market will develop for the New Notes or that Holders will be able to sell their New Notes in the secondary market. There is no obligation to make a market in the New Notes. Application has been made to list the New Notes on the Official list of the Luxembourg Stock Exchange and admit them to trading on the Regulated Market of the Luxembourg Stock Exchange.

New Notes Taxation

Payments of interest on the New Notes, or profits realised by a Holder upon the sale or repayment of the New Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on an individual Holder may differ from the situation described for Holders generally under "Taxation" below. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the New Notes.

Independent Review and Advice

Each prospective investor in New Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the New Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the New Notes. A prospective investor may not rely on BNP Paribas or any of its affiliates in connection with its determination as to the legality of its acquisition of the New Notes or as to the other matters referred to above.

Modification of the Terms and Conditions of the Notes

The Holders of each series will be grouped automatically for the defence of their common interests in a *Masse* (See "Terms and Conditions of the Series 1 New Notes – Representations of the Noteholders" and "Terms and Conditions of the Series 2 New Notes – Representations of the Noteholders"), and a general meeting of Holders can be held. The Terms and Conditions of the New Notes permit in certain cases defined majorities to bind all Holders including Holders who did not attend and vote at the relevant general meeting and Holders who voted in a manner contrary to the majority.

The general meeting of Holders may, subject to the provisions of Terms and Conditions of the New Notes, decide on any proposal relating to the modification of the Terms and Conditions of the New Notes, notably

on any proposal, whether for arbitration or settlement proceedings, relating to disputed rights or rights which were the subject of judicial decisions.

EU Savings Directive

The EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the **Savings Directive**) requires each Member State since 1 July 2005 to provide to the tax authorities of another Member State details of payments of interest and other similar income within the meaning of the Savings Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) an individual resident in that other Member State, except that Belgium, Luxembourg and Austria impose instead a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information. However the Belgian State elected to abandon the transitional withholding tax and provide details of payments of interest in accordance with the Savings Directive as from 1 January 2010.

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

French Insolvency Law

Holders of New Notes will be automatically grouped for the defense of their common interests in a *Masse* (See "Terms and Conditions of the Series 1 New Notes – Representations of the Noteholders" and "Terms and Conditions of the Series 2 New Notes – Representations of the Noteholders". However, under French insolvency law, as amended by ordinance no. 2008-1345 dated 18 December 2008 which came into force on 15 February 2009 and related order no. 2009-160 dated 12 February 2009, 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 (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the New Notes), whether or not under a debt issuance programme and regardless of their governing law.

The Assembly deliberates on the proposed safeguard (*projet de plan de sauvegarde*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (charges) of holders of debt securities (including the Holders) by rescheduling payments which are due and/or partially or totally writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Holders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the New Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third (2/3rd) majority (calculated as a proportion of the debt securities held by the holders which have cast a vote at such Assembly). No quorum is required to hold the Assembly.

HOLDERS ARE ADVISED TO CHECK WITH ANY BANK, SECURITIES BROKER, CLEARING SYSTEM OR OTHER INTERMEDIARY THROUGH WHICH THEY HOLD THEIR EXISTING NOTES WHETHER SUCH INTERMEDIARY APPLIES DIFFERENT DEADLINES FOR ANY OF THE EVENTS SPECIFIED IN THIS EXCHANGE AND TENDER OFFER MEMORANDUM, AND THEN TO ALLOW FOR SUCH DEADLINES IF SUCH DEADLINES ARE PRIOR TO THE DEADLINES SET OUT IN THIS EXCHANGE AND TENDER OFFER MEMORANDUM.

TAXATION

In view of the number of different jurisdictions where tax laws may apply to a Holder, this Exchange and Tender Offer Memorandum does not discuss the tax consequences for Holders arising from the exchange of Existing Notes in the Exchange Offer for New Notes or the selling of the Existing Notes in the Tender Offer. Holders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the exchange of their Existing Notes and the receipt pursuant to the Exchange Offer of New Notes, the Accrued Interest, any Cash Rounding Amount (if applicable) and the Tender Price. Holders are liable for their own taxes and have no recourse to the Issuer, the Arranger or the Exchange and Tender Agents with respect to taxes arising in connection with the Offers.

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

This discussion is intended only as a descriptive summary and does not purport to be a complete analysis or listing of all potential effects of the receipt, purchase, ownership or disposition of the New Notes.

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

European Union

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

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

However, throughout a transitional period, certain Member States (Luxembourg, Belgium and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method or for the tax certificate procedure, withhold an amount on interest payments. The rate of such withholding is currently 20 per cent for a period of three years, starting on 1 July 2008, and 35 per cent thereafter.

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

Belgium has, however, elected for the Disclosure of Information Method as from 1 January 2010.

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

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

France

The following generally summarises the material French tax consequences of receiving, owning and disposing of the New Notes by non-French resident Holders.

The Savings Directive has been implemented in French law under Article 242 *ter* of the French *Code Général des Impôts* and Articles 49 I *ter* to 49 I *sexies* of Schedule III of the French *Code Général des Impôts*, which impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Since the New Notes constitute *obligations* under French law and therefore are deemed to be issued outside France, payments of interest and other revenues made by the Issuer in respect of the New Notes to non-French resident Holders who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in Ruling N°2007/59 (FP) of the *Direction Générale des Impôts*, dated 8 January 2008 and Ruling N° 2009/23 (FP) of the *Direction Générale des Impôts*, dated 7 April 2009) from the exemption from the withholding tax set out under Article 125 A III of the French *Code Général des Impôts*, as provided for in Article 131 *quater* of the French *Code Général des Impôts*. Accordingly, such payments do not give the right to any tax credit from any French source.

Non-French resident Holders of New Notes who do not hold their New Notes in connection with a business or profession conducted in France, or a permanent establishment or fixed base situated in France, will not be subject to any French income tax or capital gains tax on the sale, disposal or redemption of the New Notes.

The transfers of New Notes outside France will not be subject to any stamp duty or other transfer taxes imposed in France, provided such transfer is not recorded or referred to in any manner whatsoever in a deed executed and registered with the tax authorities in France.

Luxembourg

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the New Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) Non-resident holders of New Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the **Laws**) mentioned below, and subject to the exceptions provided by the Laws, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of New Notes, nor on accrued but

unpaid interest in respect of the New Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the New Notes held by non-resident holders of New Notes.

Under the Laws implementing the Savings Directive, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 20 per cent. and will be levied at a rate of 35 per cent. as of 1 July 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the New Notes coming within the scope of the Laws would at present be subject to withholding tax of 20 per cent. The withholding tax system only applies during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

(ii) Resident holders of New Notes

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

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the New Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

Tax treatment of the Transfer of New Notes

Non-Luxembourg resident holders of New Notes who do not hold their New Notes in connection with a permanent establishment or fixed base situated in Luxembourg, will not be subject to any Luxembourg income tax or capital gains tax on the sale, disposal or redemption of the New Notes.

The transfer of New Notes outside Luxembourg will not be subject to any stamp duty or other transfer taxes imposed in Luxembourg, provided such transfer is not recorded or referred to in any manner whatsoever in a deed executed and registered with the tax authorities in Luxembourg.

TERMS OF THE OFFER

Capitalised terms used but not defined herein have the meanings assigned to such terms in "Definitions" above.

Purpose of the Offers

The purpose of the Offers is to manage actively the capital of BNP Paribas in the changing context of regulation and perception of subordinated instruments. Over the past year, the level of net Tier II capital of the BNP Paribas Group (the **Group**) has exceeded targets due mainly to the acquisition and consolidation of Fortis Banque. The successful execution of the Offers will result in a reduction of Tier II capital and an increase in Tier I capital.

General presentation of the Offers

The Issuer invites (subject to certain offer restrictions set out in "Offer Restrictions") all Holders of Series 1 Existing Notes, Series 2 Existing Notes and Series 3 Existing Notes to offer to exchange for Series 1 New Notes or Series 2 New Notes and/or sell for cash any or all of such Existing Notes that are outstanding upon the terms and subject to the conditions of the Offers as further described below.

Holders who validly offer to exchange their Existing Notes at or prior to the Expiration Time will receive relevant New Notes in a principal amount (rounded down to the nearest US\$2,000) equal to the aggregate principal amount of such Existing Notes multiplied by the relevant Exchange Price (the **Exchange Amount**). Such Holders will also receive any Accrued Interest in respect of such Existing Notes up to (but excluding) the Settlement Date, together with any applicable Cash Rounding Amount.

An offer to exchange will only be considered eligible for acceptance by the Issuer if it relates to Existing Notes with a principal amount at least equal to the relevant Minimum Delivery Amount.

Holders who validly tender their Existing Notes in the Tender Offer at or prior to the Expiration Time will receive a cash amount equal to the aggregate principal amount of such Existing Notes multiplied by the relevant Tender Price (the **Tender Amount**) as well as any Accrued Interest in respect of such Existing Notes up to (but excluding) the Settlement Date.

There is no minimum amount for Existing Notes presented in the Tender Offer.

The Offer Period will start on 18 November 2009 and end at the Expiration Time, unless extended by the Issuer. Subject thereto, Holders are invited to offer to exchange or to sell any or all of their Existing Notes that are outstanding from 8.00 a.m., London time, on 18 November 2009 up to 4.00 p.m., London time, on 17 December 2009, subject to any earlier deadlines set by the Clearing Systems or other Intermediaries.

The Issuer expressly reserves the right, at any time, in its absolute discretion, to extend the period of time during which the Offers are open, and delay acceptance for exchange or for sale of any Existing Notes, by giving written notice of such extension to the Holders of Existing Notes as described below. The Issuer will extend the duration of the Offers if required by applicable law, and may choose to extend it in order to provide additional time for Holders to tender their Existing Notes for exchange or sale. During any such extension, all Existing Notes previously tendered will remain subject to the Offers and may be accepted for exchange or sale by the Issuer, subject to any withdrawal rights in the limited circumstances set forth under "Terms of the Offers – Withdrawal Rights".

On the Settlement Date, subject to the satisfaction or waiver (if permitted) of the conditions to the Exchange Offer, the Issuer will deliver, or procure the delivery of, through the Clearing Systems to each relevant Holder (i) the relevant New Notes in exchange for the relevant Existing Notes offered for exchange by such Holder and accepted for exchange pursuant to the Exchange Offer together with the Cash Rounding Amount

(if any) and/or (ii) the Tender Amount, as applicable, and (iii) any Accrued Interest in respect with such Existing Notes up to (but excluding) the Settlement Date.

Holders whose Existing Notes offered for exchange are not accepted, or who do not participate in the Exchange Offer, will not be eligible to receive New Notes in exchange for such Existing Notes and shall continue to hold such Existing Notes subject to their terms and conditions and Holders whose Existing Notes tendered are not accepted, or who do not participate in the Tender Offer, shall continue to hold such Existing Notes, subject to their terms and conditions, in each case unless the resolution set out in Part C of "Terms and Conditions of the New Notes and Forms" is approved in relation to the relevant Series of Existing Notes.

To the extent that such resolutions are passed, remaining Holders of Existing Notes will have such Existing Notes exchanged in accordance with the resolutions.

Applications will be made for the New Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange as of the Settlement Date.

Participating Holders whose Offer Instruction is received by the Exchange and Tender Agents prior to the Expiration Time may only revoke their offers to exchange or sell in the limited circumstances set out under "Withdrawal Rights" below.

None of the Issuer, the Arranger or the Exchange and Tender Agents (or their respective directors, employees or affiliates) makes any recommendation as to whether or not Holders should participate to the Offers.

Summary of Terms of the New Notes

The New Notes are undated deeply subordinated obligations of the Issuer as more fully described in the Exchange and Tender Offer Memorandum. The New Notes will be issued in denominations of US\$2,000. The Series 1 New Notes will be issued at a price equal to 100 per cent. of their principal amount and the Series 2 New Notes will be issued at a price equal to 100 per cent. of their principal amount.

Series 1 New Notes (Floating Rate)

BNP Paribas has determined the Floating Interest Rate of the Series 1 New Notes on the basis of market conditions on 12 November 2009. The Floating Interest Rate of the Series 1 New Notes up to the First Call Date (excluded) shall equal 3-month USD Libor plus a margin equal to 3.750 per cent. (the **Initial Margin of the Floating Interest Rate**). The Floating Interest Rate of the Series 1 New Notes as from the First Call Date (included) shall equal 3-month USD Libor plus a margin equal to the Initial Margin of the Floating Interest Rate plus 1.000 per cent.

Series 2 New Notes (Fixed to Floating Rate)

BNP Paribas shall determine the Fixed Interest Rate on the basis of the Spot Mid-Swap Rate displayed at or around 2.00 p.m. London time on 18 December 2009. The Fixed Interest Rate of the Series 2 New Notes shall equal the Spot Mid-Swap Rate plus the Initial Margin of the Floating Interest Rate (the **Coupon for the Series 2 New Notes Fixed Period**). The Floating Interest Rate of the Series 2 New Notes shall equal 3-month USD Libor plus a margin equal to the Initial Margin of the Floating Interest Rate plus 1.000 per cent.

Spot Mid-Swap Rate means the arithmetic mean of the bid and offer quotes of the swap rate which appear on the display designated on Reuters Page "ICAP1" (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying comparable rates) at 2.00 p.m. on 18 December 2009 on the right column under the heading "USD" for the period of 10 years labelled "10Yrs" rounded to the nearest 0.001 per cent.

The following **example** is provided as a matter of information only:

Expiration Date and Time	17 December 2009 4.00 p.m. (London time)
Date and time of determination of the Coupon for the Series 2 New Notes Fixed Period	18 December 2009 2.00 p.m. (London time)
10-year Swap Rate - Ask	3.547%
10-year Swap Rate - Bid	3.517%
10-year Swap Rate - Mid (Spot Mid-Swap Rate)	3.532%
Initial Margin of the Floating Interest Rate	3.750%
Fixed Interest Rate for the Series 2 New Notes	7.282%
Floating Interest Rate for the Series 2 New Notes	3-month USD Libor + 4.750%

The Coupon for the Series 2 New Notes Fixed Period will be published in the announcement of the results of the Offers on 22 December 2009 on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Exchange Price, Tender Price, Minimum New Note Amount, Minimum Delivery Amount, Accrued Interest

The principal amount of the New Notes to be issued for exchange under the Exchange Offer and the amount of cash to be paid for purchase under the Tender Offer depend on the Exchange Price and the Tender Price, respectively, for each Series of the Existing Notes.

In respect of each Series of Existing Notes, the price for each US\$1,000 or US\$10,000 in principal amount at which Existing Notes validly tendered at or prior to the Expiration Time and accepted for exchange or purchase will be exchanged for the relevant Series of New Notes under the Exchange Offer (the **Exchange Price**) or will be purchased under the Tender Offer (the **Tender Price**) determined by BNP Paribas and set out in the table below.

For the Existing Notes submitted for exchange or purchase under the Offers, an amount equal to accrued interest from the last interest payment date (included) up to but excluding the Settlement Date (excluded) will be paid in cash to the relevant Holders on the Settlement Date. Such accrued interest amounts have been calculated by BNP Paribas prior to the opening of the Offer Period in accordance with the terms and conditions of the relevant Existing Notes and are set out in the table below.

The Exchange and Tender Price, the Accrued Interest and the Minimum Delivery Amount for each Series of Existing Notes is set below:

Existing Notes	ISIN Code	Exchange Price and Tender Price (excluding Accrued Interest)	Accrued Interest up to 30 December 2009 (excluded)	Minimum Delivery Amount
Series 1 Existing Notes	LU0002906534	70.000%	US\$0.00	US\$115,000
Series 2 Existing Notes	GB0040811647	70.000%	US\$0.00	US\$115,000
Series 3 Existing Notes	FR0008131403	70.000%	US\$1.86626	US\$115,000

This Exchange and Tender Offer Memorandum does not constitute an offer or an invitation to participate in the Offers in any jurisdiction in or from which, or to any person to whom, it is unlawful to make such offer or invitation under applicable laws. No action has been or will be taken in any jurisdiction by the Issuer, the Arranger or the Exchange and Tender Agents that would constitute a public offering of the New Notes, other than in Luxembourg (See "Offer Restrictions"). Accordingly and taking into account the nominal amount of the New Notes to be issued in Exchange for the Existing Notes, the New Notes are being offered for exchange in minimum amounts of US\$80,000 (the **Minimum New Note Amount**). Holders of Existing Notes must deliver a principal amount of Existing Notes (the **Minimum Delivery Amount**) sufficient to allow them to receive the relevant Minimum New Note Amount, or their Existing Notes will not be accepted for exchange. There is no minimum amount for Existing Notes presented in the Tender Offer.

As mentioned above, the Issuer invites all Holders of Series 1 Existing Notes, Series 2 Existing Notes and Series 3 Existing Notes to offer to exchange for Series 1 New Notes or Series 2 New Notes (the terms and conditions of which are set out in Part A and Part B of the "Terms and Conditions of New Notes and Forms", respectively) and/or sell for cash any or all of such Existing Notes that are outstanding. The Exchange Offer and the Tender Offer will be made on any and all Series 1 Existing Notes, Series 2 Existing Notes and Series 3 Existing Notes outstanding.

Under the Exchange Offer, Holders who validly tender their Existing Notes will receive relevant New Notes in a principal amount (rounded down to the nearest US\$2,000) equal to the aggregate principal amount of such Existing Notes offered for exchange multiplied by the relevant Exchange Price.

Such Holders will also receive any Accrued Interest in respect with such Existing Notes up to (but excluding) the Settlement Date and any applicable Cash Rounding Amount. The **Cash Rounding Amount** is the amount in cash (rounded to the nearest US\$0.01, with half a cent being rounded upwards) to be paid by the Issuer to a Holder on the Settlement Date for any fractional portion of New Notes that such Holder would otherwise be entitled to receive as a result of the application of the relevant Exchange Price that is not an integral multiple of US\$2,000.

Holders who validly tender their Existing Notes in the Tender Offer will receive the Tender Amount as well as Accrued Interest, if applicable, in respect of such Existing Notes up to (but excluding) the Settlement Date.

Existing Notes	ISIN Code	Nominal Amount	New Note Price	Exchange Price
Series 1 Existing Notes	LU0002906534	US\$1,000		
<i>Series 1 New Notes</i>	<i>FR0010821132</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>
<i>Series 2 New Notes</i>	<i>FR0010821124</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>
Series 2 Existing Notes	GB0040811647	US\$1,000		
<i>Series 1 New Notes</i>	<i>FR0010821132</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>
<i>Series 2 New Notes</i>	<i>FR0010821124</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>
Series 3 Existing Notes	FR0008131403	US\$10,000		
<i>Series 1 New Notes</i>	<i>FR0010821132</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>
<i>Series 2 New Notes</i>	<i>FR0010821124</i>	<i>US\$2,000</i>	<i>US\$2,000</i>	<i>70.000%</i>

Announcements

On 22 December 2009, the Issuer will announce the aggregate principal amounts of each Series of Existing Notes validly submitted and accepted by the Issuer for (i) exchange and (ii) purchase and the Coupon for the Series 2 New Notes Fixed Period.

Unless stated otherwise, announcements will be made by the Issuer by (i) the issue of a press release to a Notifying News Service, (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants and (iii) publication on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu). Holders of Existing Notes may contact the Arranger or the Exchange and Tender Agents for information and copies of all such announcements, press releases and notices by using the contact details which are on the back cover page of this Exchange and Tender Offer Memorandum.

Holders are hereby informed that significant delays may be experienced in publishing notices through the Clearing Systems.

Procedures for Offering to Exchange or Offering to Sell Existing Notes

Notes held through Clearing Systems

A Holder wishing to participate in any of the Offers must submit, or arrange to have submitted on its behalf, at or before the Expiration Time and, in each case, before the deadlines set by each Clearing System, an Electronic Instruction to the relevant Clearing System in accordance with the normal procedures of such Clearing System. Holders should check with their bank, securities broker or any other Intermediary through which they hold their Existing Notes whether such Intermediary will apply different deadlines for participation from those set out in this Exchange and Tender Offer Memorandum and, if so, should follow those deadlines. A separate Electronic Instruction must be completed by or on behalf of each Holder and clearly specify whether the Holder wishes to participate in the Exchange Offer and/or the Tender Offer.

Holders can submit an Electronic Instruction by either (i) logging on to the electronic platform provided for this purpose by Euroclear and Clearstream, Luxembourg (as appropriate), currently being Euclid and CreationOnline respectively, or (ii) sending a SWIFT or Telex or any other tested electronic message in accordance with their established procedures for communication with the relevant clearing system.

The receipt of an Electronic Instruction by the relevant Clearing System will constitute instructions to debit the holder's securities account on the Settlement Date in respect of all of the Existing Notes that it has submitted for exchange or sale upon receipt by the relevant Clearing System of an instruction from the Principal Exchange and Tender Agent to accept those Existing Notes in the Offers and against credit of New Notes, Accrued Interest, Cash Rounding Amount and/or Tender Amount, as the case may be.

The offer of Existing Notes for exchange or sale by a Holder will be deemed to have occurred upon receipt by the Principal Exchange and Tender Agent from the relevant Clearing System of a valid Electronic Instruction in accordance with the requirements of such Clearing System. The receipt of such Electronic Instruction will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of Existing Notes in the relevant Clearing System so that no transfers may be effected in relation to such Existing Notes.

Holders must take the appropriate steps through the relevant Clearing System to ensure that no transfers may be effected in relation to such blocked Existing Notes at any time after such date, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking its Existing Notes in the relevant Clearing System, each Holder will be deemed to consent to the relevant Clearing System providing details concerning such Holder's identity to the Issuer, Arranger and Principal Exchange and Tender Agent.

Only Direct Participants may submit Electronic Instructions. If a Holder is not a Direct Participant, it must arrange for the Direct Participant through which it holds Existing Notes to submit an Electronic Instruction on its behalf to the relevant Clearing System prior to the deadline specified by the relevant Clearing System.

Notes held outside the Clearing Systems in Bearer or Registered form

A Holder of Existing Definitive Notes held outside the Clearing Systems wishing to participate in any of the Offers must complete and submit, or arrange to have submitted on its behalf, at or before the Expiration Time a duly completed Definitive Notes Instruction to the Luxembourg Exchange and Tender Agent in the manner specified herein. The Definitive Notes Instruction must clearly specify whether the Holder wishes to participate in the Exchange Offer and/or the Tender Offer and must contain a representation from the Holder that it is the sole, legal and beneficial, owner and holder or bearer of all the Existing Definitive Notes which are the subject of the Definitive Notes Instruction. Such Holders shall also deliver, or arrange for the delivery to the Luxembourg Exchange and Tender Agent of, the bearer Definitive Existing Notes and/or registered certificate(s) which are the subject of the Definitive Notes Instruction. In order to be able to receive New Notes on completion of the relevant Offer, Holders of Existing Definitive Notes held outside the Clearing Systems must, in completing the Definitive Notes Instruction, provide a valid securities account number in a Clearing System. If a Holder of Existing Definitive Notes held outside the Clearing Systems does not have such an account it should arrange for such an account to be opened in its favour by an Intermediary or any such other party providing custody services. If Holders are unsure of what actions they need to take in setting up a Clearing Systems account, do not have an Intermediary, they should contact the Arranger and Structuring Adviser as soon as possible.

Holders of such Existing Notes who have lost their bearer Definitive Existing Notes and/or registered certificate(s) should notify the Luxembourg Exchange and Tender Agent as soon as possible and in any event no later than 3.00 p.m. (London time) on the day prior to the Expiration Date. Such Holders should complete the Declaration and Indemnity that forms part of the Definitive Notes Instruction and return the completed Definitive Notes Instruction (including the completed Declaration and Indemnity) to the Luxembourg Exchange and Tender Agent by no later than the Expiration Time. Indemnities will only be accepted in lieu of Definitive Existing Notes at the discretion of the Issuer. A Definitive Notes Instruction in respect of Definitive Existing Notes held outside the Clearing Systems will not be valid unless or until the Definitive Existing Notes to which the Definitive Notes Instruction relates have been received by the Luxembourg Exchange and Tender Agent together with a duly completed Declaration and Indemnity and accepted by the Issuer.

The offer of Definitive Existing Notes for exchange or sale by a Holder will be deemed to have occurred upon receipt by the Luxembourg Exchange and Tender Agent of the valid Definitive Notes Instruction and of the Definitive Existing Notes to which it relates. The Holder may request a receipt from the Luxembourg Exchange and Tender Agent acknowledging the delivery of a valid Definitive Notes Instruction and confirming its agreement to hold the Definitive Existing Notes on behalf of the Holder until the Settlement Date. No transfers may be effected in relation to such deposited Definitive Existing Notes at any time after such date.

Other information relating to the Procedures for Offering to Exchange or Offering to Sell Existing Notes

To be valid, a Definitive Notes Instruction must specify the Existing Notes to which the Definitive Notes Instruction relates, whether the Holder wishes to participate in the Exchange Offer and/or the Tender Offer, the cash account to which it wishes the Accrued Interest and the Cash Rounding Amount or the Tender Amount, as the case may be, to be credited and any other information required by the relevant Clearing System or the Exchange and Tender Agents.

To be valid, an Electronic Instruction must specify the Existing Notes to which the Electronic Instruction relates, whether the Holder wishes to participate in the Exchange Offer and/or the Tender Offer, the securities account to which such Existing Notes are credited, any other information required by the relevant Clearing System or the Exchange and Tender Agents. Any Accrued Interest, Cash Rounding Amount or Tender Amount, as the case may be, will be credited to the securities account to which such Existing Notes are currently credited.

All questions as to the validity, form and eligibility (including time of receipt) of any Electronic Instruction or any Definitive Notes Instruction will be determined solely by the Issuer. The Issuer's determination as to whether or when an Electronic Instruction or a Definitive Notes Instruction is received, whether it is duly completed or whether it is validly withdrawn, shall be final and binding.

Holders whose Existing Notes are held in the name of a broker, dealer, bank, trust company or other nominee or custodian (collectively, an **Intermediary**) and who wish to participate in the Exchange Offer and/or the Tender Offer should contact such entity sufficiently in advance of the Expiration Date, and procure that their Existing Notes are blocked in accordance with the normal procedures and deadlines of the relevant Clearing System or in the case of Definitive Existing Notes that such Notes are delivered to the Luxembourg Exchange and Tender Agent in accordance to their procedures and deadlines.

The offer by a Holder or a Direct Participant to participate in the Exchange Offer and/or the Tender Offer may only be revoked by such Holder or Direct Participant in the limited circumstances set out in "Terms of the Offers - Withdrawal Rights" by submitting an electronic withdrawal instruction to the relevant Clearing System in accordance with the procedures of such Clearing System, or in the case of Definitive Existing Notes, a written withdrawal instruction to the Exchange and Tender Agents.

Subject to, and effective upon, the acceptance by the Issuer of the principal amount of Existing Notes tendered in accordance with the terms and subject to the conditions of the relevant Offer, a tendering Holder will be deemed to have agreed to assign and transfer to, or upon the order of, the Issuer, all right, title and interest in and to all of the Existing Notes tendered and to waive any and all other rights with respect to the Existing Notes (including, without limitation, any existing or past defaults and their consequences in respect of the Existing Notes and the claims the Holder may have now, or may have in the future, arising out of, or related to, the Existing Notes, including, without limitation, any claims that the Holder is entitled to receive additional principal or interest payments with respect to such Existing Notes or to participate in any repurchase or redemption of the Existing Notes).

In addition, by tendering its Existing Notes pursuant to an Offer, a Holder will be deemed to have irrevocably granted all necessary authority to the Exchange and Tender Agents (with full knowledge that such Exchange and Tender Agents act as agents of the Issuer) with respect to any tendered Existing Notes,

with full power of substitution and re-substitution, to (1) transfer ownership of such Existing Notes, either on the account books maintained by the Clearing Systems together with all accompanying evidences of transfer and authenticity or otherwise, to or upon the order of the Issuer and (2) receive all benefit or otherwise exercise all rights of beneficial ownership of such Existing Notes, all in accordance with the terms of the Offers.

By submitting a valid Electronic Instruction to the relevant Clearing System in accordance with the standard procedures of the relevant Clearing System, or in the case of Definitive Existing Notes, a valid Definitive Notes Instruction to an Exchange and Tender Agent, Holders shall be deemed to make the acknowledgements, representations, warranties and undertakings set out below to the Issuer, the Arranger and the Exchange and Tender Agents on each of the Expiration Date and Settlement Date (if the relevant Holder is unable to give such representations, warranties and undertakings, such Holder or the relevant Direct Participant on its behalf should contact the Arranger immediately).

Acknowledgements, Representations, Warranties and Undertakings

By submitting an Electronic Instruction or a Definitive Notes Instruction, as the case may be, each Holder and the relevant Direct Participant (on behalf of the relevant Beneficial Owner) represents, warrants and undertakes that:

- (a) it has received, reviewed and accepts the terms of this Exchange and Tender Offer Memorandum;
- (b) it acknowledges that it has reviewed and accepts the offer and distribution restrictions, terms, conditions, risk factors, New Notes Conditions and other considerations of the relevant Offer, all as described in this Exchange and Tender Offer Memorandum (including all of the documents incorporated by reference into this Exchange and Tender Offer Memorandum);
- (c) it is assuming all the risks inherent in participating in the relevant Offer and has undertaken all the appropriate analysis of the implications of the Offers without reliance on the Issuer, the Arranger or the Exchange and Tender Agents;
- (d) by blocking Existing Notes in the relevant Clearing System, it will be deemed to consent to the relevant Clearing System providing details concerning its identity to the Issuer, the Arranger, the Exchange and Tender Agents and their respective legal advisers (if applicable);
- (e) upon the terms and subject to the conditions of the Offers, it thereby offers to (i) exchange the specified aggregate principal amount of the specified number of the relevant Existing Notes (such amount being at least equal to the Minimum Delivery Amount) in its account blocked in the relevant Clearing System, or, in the case of Definitive Existing Notes, held by the Exchange and Tender Agents on his behalf, for the relevant number of New Notes of the relevant Series and/or (ii) sell the specified aggregate principal amount of the specified number of the relevant Existing Notes (such amount being at least equal to the Minimum Delivery Amount) in its account blocked in the relevant Clearing System, or, in the case of Definitive Existing Notes, held by the Exchange and Tender Agents on his behalf, for the relevant Tender Amount;
- (f) if the Existing Notes are accepted for exchange or purchase, it acknowledges that (i) the Accrued Interest, the Cash Rounding Amount, if any and/or the Tender Amount, as the case may be, will be paid in US\$, (ii) any such amount will be deposited by or on behalf of the Issuer with the Clearing Systems on the Settlement Date, (iii) the Clearing Systems thereafter will make payments to either the relevant accounts in the Clearing Systems of the relevant Holders or Direct Participant for the benefit of the relevant Holder, or the relevant accounts specified in the Definitive Notes Instruction, as the case may be;

- (g) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Issuer, any of its directors or any person nominated by the Issuer in the proper exercise of his or her powers and/or authority hereunder;
- (h) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Issuer to be desirable, in each case to complete the transfer of the Existing Notes to the Issuer or its nominee in exchange for the New Notes, the Accrued Interest, the Cash Rounding Amount and/or the Tender Amount, as the case may be, and/or to perfect any of the authorities expressed to be given hereunder;
- (i) its tender of Existing Notes, subject to the terms and conditions of the Offers generally, constitutes a grant of all necessary authority to the Exchange and Tender Agents, and an irrevocable instruction to such Exchange and Tender Agents to complete, execute and deliver any forms of transfer, certificates of title and other documents at the discretion of such Exchange and Tender Agents in relation to the Existing Notes tendered hereby in favour of the Issuer or such other person or persons as the Issuer may direct, and to execute all such other documents and to do all such other acts and things as may be in the opinion of such Exchange and Tender Agents necessary or expedient for the purpose of, or in connection with, the relevant Offer, and to vest in the Issuer such Existing Notes;
- (j) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Offers or which will or may result in the Issuer, the Arranger, the Exchange and Tender Agents, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers;
- (k) all authority conferred or agreed to be conferred pursuant to its representations, warranties and undertakings and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity;
- (l) no information has been provided to it by the Issuer, the Arranger or the Exchange and Tender Agents with regard to the tax consequences to Holders arising from the exchange of Existing Notes in the Exchange Offer or the receipt of the Tender Amount, Accrued Interest and/or the Cash Rounding Amount, as the case may be. It hereby acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offers and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Arranger, the Exchange and Tender Agents or any other person in respect of such taxes and payments;
- (m) it is not a person to whom it is unlawful to make an invitation under the Offers under applicable laws;
- (n) the New Notes are being offered and sold in transactions not involving a public offering in the United States within the meaning of the Securities Act, and the New Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may only be offered or delivered within the United States in transactions exempt from the registration requirements of the Securities Act in reliance on Section 3(a)(9) thereof and in compliance with the securities laws of any state or jurisdiction of the United States;
- (o) it is outside the United Kingdom or, if it is located within the United Kingdom, it is a person falling within the definition of Investment Professionals (as defined in Article 19(5) of the Financial

Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**)) or within Article 43 of the Order, or other persons to whom it may lawfully be communicated in accordance with the Order;

- (p) it is not resident in the Republic of Italy and/or located in the Republic of Italy, that it received this Exchange and Tender Offer Memorandum and the invitation described herein outside the Republic of Italy and it is not acting on behalf of persons resident in the Republic of Italy and/or located in the Republic of Italy;
- (q) it is outside the Republic of France or, if it is located in the Republic of France, it is a person licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or a qualified investor (*investisseur qualifié*) acting for its own account (with the exception of individuals) all as defined in and in accordance with article L.411-1, L.411-2, D.411-1 to D.411-3 of the French *Code monétaire et financier*;
- (r) it is outside the Kingdom of Belgium or, if it is located in the Kingdom of Belgium, it is a qualified investor referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting on its own account;
- (s) it has full power and authority to submit for exchange or to sell and transfer the Existing Notes hereby submitted for exchange or sale and if such Existing Notes are accepted for exchange or purchase, such Existing Notes will be transferred to, or to the order of, the Issuer with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto;
- (t) it holds and will hold, until the time of settlement on the Settlement Date, the Existing Notes blocked in the relevant Clearing System and, in accordance with the requirements of the relevant Clearing System and by the deadline required by the relevant Clearing System, it has submitted, or has caused to be submitted, an Electronic Instruction to the relevant Clearing System, as the case may be, or, in the case of Definitive Existing Notes, it has delivered, or has caused to be delivered, such Existing Notes together with a Definitive Notes Instruction to the Luxembourg Exchange and Tender Agent, to authorise the restriction on transfer of the submitted Existing Notes with effect on and from the date thereof so that, at any time pending the transfer of such Existing Notes on the relevant Settlement Date to the Issuer or on its behalf and the cancellation thereof, no transfers of such Existing Notes may be effected;
- (u) the terms and conditions of the Offers shall be deemed to be incorporated in, and form a part of, the Electronic Instruction or Definitive Notes Instruction, as the case may be, which shall be read and construed accordingly and that the information given by or on behalf of such existing Holder in the Electronic Instruction or Definitive Notes Instruction, as the case may be, is true and will be true in all respects at the time of the exchange; and
- (v) it accepts that the Issuer may not be able to accept an offer to exchange for a variety of reasons, including because of the relevant Minimum Delivery Amount.

The receipt from a Holder or from a Direct Participant on behalf of a Beneficial Owner of an Electronic Instruction by the relevant Clearing System will constitute instructions to debit from such Holder's or Direct Participant's account on the Settlement Date all of the Existing Notes that such Holder or Direct Participant has offered for exchange and/or offered to sell and which have been accepted, upon receipt by the relevant Clearing System of an instruction from the Principal Exchange and Tender Agent to accept those Existing Notes in the offer and to credit the New Notes and the payment by, or on behalf of, the Issuer of any Accrued Interest and Cash Rounding Amount (if any) and/or payment by, or on behalf of, the Issuer of the Tender Amount subject to the withdrawal of such Electronic Instruction (in the limited circumstances in which such

withdrawal is permitted) in accordance with the procedure set out in this Exchange and Tender Offer Memorandum.

The receipt from a Holder of a Definitive Notes Instruction by the Luxembourg Exchange and Tender Agent will constitute instructions to, on the Settlement Date, receive all of the Existing Notes that such Holder has offered for exchange and/or offered to sell and which have been accepted, for the account of the Issuer and against credit of the New Notes and payment by, or on behalf of, the Issuer of any Accrued Interest and Cash Rounding Amount (if any) and/or payment by, or on behalf of, the Issuer of the Tender Amount subject to the withdrawal of such Definitive Notes Instruction (in the limited circumstances in which such withdrawal is permitted) in accordance with the procedure set out in this Exchange and Tender Offer Memorandum.

In addition, delivery of an Offer Instruction will constitute voting instructions in favour of the Proposal as defined and more fully set out in "Meeting of Holders" below.

Responsibility for Delivery of Notices

None of the Issuer, the Arranger or the Exchange and Tender Agents will be responsible for the communication of offers to exchange and/or offers to sell and corresponding Notices by:

- Beneficial Owners to the Direct Participant through which they hold Existing Notes;
- the Direct Participant to the relevant Clearing System; or
- Holders to the Exchange and Tender Agents.

If a Beneficial Owner holds its Existing Notes through a Direct Participant, such Beneficial Owner should contact that Direct Participant to discuss the manner in which transmission of the Electronic Instruction and, as the case may be, transfer instructions may be made on its behalf.

If a Holder holds Definitive Existing Notes through a Direct Participant, such Holders should contact the Luxembourg Exchange and Tender Agent to discuss the manner in which transmission of the Definitive Notes Instruction, its Definitive Existing Notes and, as the case may be, transfer instructions may be made on its behalf.

In the event that the Direct Participant through which a Beneficial Owner holds its Existing Notes is unable to submit an Electronic Instruction on its behalf, such Beneficial Owner should telephone the Principal Exchange and Tender Agent for assistance on the number which appears on the back cover page of this Exchange and Tender Offer Memorandum.

Holders, Direct Participants and Beneficial Owners are solely responsible for arranging the timely delivery of their Electronic Instruction or Definitive Notes Instruction, as the case may be.

If a Beneficial Owner offers its Existing Notes through a Direct Participant, such Beneficial Owner should consult with that Direct Participant as to whether it will charge any service fees in connection with the participation in the Offers.

Amendment and Termination

Notwithstanding any other provision of the Offers, the Issuer may, subject to applicable laws, at its option and in its sole discretion at any time before the Expiration Time on the Expiration Date:

- extend the Expiration Date or re-open the Offers, as applicable (in which case all references in this Exchange and Tender Offer Memorandum to "Expiration Date" and "Expiration Time", as applicable shall, unless the context otherwise requires, be to the latest date and time to which the Expiration Date, as applicable, has been so extended or the Offers re-opened);

- otherwise extend, re-open or amend the Offers in any respect (including, but not limited to, any extension, re-opening, increase, decrease or other amendment, as applicable, in relation to the Expiration Date, the Settlement Date, each Exchange Price, each Tender Price, each New Note Price and/or the terms and conditions of the New Notes);
- delay acceptance or, subject to applicable law, exchange of Existing Notes validly submitted for exchange in the Exchange Offer or submitted for sale in the Tender Offer until satisfaction or waiver (if permitted) of the conditions to the Offers, even if the relevant Offer has expired;
- terminate the Offers in respect of any Series of Existing Notes, including with respect to any Electronic Instruction or Definitive Notes Instruction submitted before the time of such termination; or
- in respect of any Series of Existing Notes, choose not to accept all valid offers to exchange or offers to sell received by the Exchange and Tender Agents prior to the Expiration Time.

The Issuer also reserves the right at any time to waive any or all of the conditions of the Offers as set out in this Exchange and Tender Offer Memorandum.

The Issuer will ensure Holders are notified of any such extension, re-opening or amendment as soon as is reasonably practicable after the relevant decision is made by (i) the issue of a press release to a Notifying News Service, (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants and (iii) publication on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Withdrawal Rights

If any amendment to the terms and conditions of the Offers is made by the Issuer as set out in "Amendment and Termination" above and, in the Issuer's opinion, such amendment or the content of such supplement is materially prejudicial to Holders that have already submitted an Electronic Instruction or a Definitive Notes Instruction before the announcement of such amendment or supplement (which announcement shall include a statement that in the Issuer's opinion such amendment, or the contents of such supplement, is materially prejudicial to such Holders), then such Electronic Instruction or Definitive Notes Instruction may be revoked at any time from the date and time of the notification of such amendment or supplement until 11.00 a.m., London time, on the second Business Day following such announcement or notification (subject to the earlier deadlines required by the Clearing Systems or any Intermediary through which Holders hold their Existing Notes).

Holders wishing to exercise any such right of revocation should do so by submitting an electronic withdrawal notice in accordance with the procedures of the relevant Clearing System or, in the case of Definitive Existing Notes, a written withdrawal notice to the Luxembourg Exchange and Tender Agent. Beneficial owners of Existing Notes that are held through an Intermediary are advised to check with such entity when it would require to receive instructions to revoke an Electronic Instruction or Definitive Notes Instruction in order to meet the above deadline. For the avoidance of doubt, any Holder who does not exercise any such right of revocation in the circumstances and in the manner specified above, shall be deemed to have waived such right of revocation and its original Electronic Instruction or Definitive Notes Instruction will remain effective.

Irregularities

All questions as to the validity, form and eligibility (including the time of receipt) of any Electronic Instruction or Definitive Notes Instruction, offer to exchange or offer to sell Existing Notes or revocation or revision thereof or delivery of Existing Notes will be determined by the Issuer in its sole discretion, which determination will be final and binding. The Issuer reserves the absolute right to reject any and all Electronic

Instruction or Definitive Notes Instruction not in proper form. The Issuer also reserves the absolute right to waive any of the conditions of the Offers or defects in the Electronic Instruction or Definitive Notes Instruction with regard to any Existing Notes. None of the Issuer, the Arranger or the Exchange and Tender Agents shall be under any duty to give notice to Holders, Direct Participants or Beneficial Owners of any irregularities in Electronic Instruction or Definitive Notes Instruction nor shall any of them incur any liability for failure to give notification of any material amendments to the terms and conditions of the Offers.

Participation by the Arranger

The Arranger may, subject to offer restrictions, submit Offer Instructions on behalf of other Holders.

Exchange and Tender Agents

The Issuer will pay the Exchange and Tender Agent fees to Lucid Issuer Services Limited and BGL BNP Paribas for their services and will reimburse them for reasonable out-of-pocket expenses in connection with the Offers.

Fees and Expenses

The principal solicitation of eligible offerees is being made through the Clearing Systems. Additional solicitations of eligible offerees may, however, be made by mail, email, facsimile transmission, telephone or in person by the Arranger, as well as by the Issuer's officers and other employees and those of the Issuer's affiliates. No additional compensation will be paid to any officers or employees who engage in soliciting. The Issuer will bear the expenses of soliciting tenders of the Existing Notes.

Holders of Existing Notes that participate in an Offer will not be required to pay any fee or commission to the Arranger. If, however, a participating Holder handles the transaction through its broker, dealer, commercial bank, trust company or other institution, that Holder may be required to pay brokerage fees or commissions to such broker, dealer, commercial bank, trust company or other institution.

Meeting of Holders

A meeting of the Holders of the Series 1 Existing Notes and a meeting of the Holders of the Series 2 Existing Notes will be held on 9 December 2009 on first call (and, if necessary, on 23 December 2009 on second call) in order to vote on a resolution submitted by the Issuer requesting each such meeting to approve the proposal (the **Proposal**) of the Issuer to exchange all but not some of the principal amount of Existing Notes of that Series outstanding after the end of the Offer Period for the principal amount of Series 1 New Notes multiplied by the relevant Exchange Price (for voting process and proposed resolutions, see Part C of "Terms and Conditions of the New Notes and Forms"). Such exchange is one of the matters which such a meeting of Holders has power to sanction under the relevant provisions applicable to the Existing Notes. Any Holders of Existing Notes will only continue to be Holders thereof to the extent that such resolutions are not passed. Otherwise all Holders of Existing Notes will have such Existing Notes exchanged for Series 1 New Notes in accordance with the resolutions. The relevant exchange will occur on the Settlement Date at the same time as the settlement of the Offers described in this Exchange and Tender Offer Memorandum.

The text of the resolutions to be voted upon at the Holders' meetings is set out in Part C of "Terms and Conditions of the New Notes and Forms" for information purposes only. Any Holders of Existing Notes will only continue to be Holders thereof to the extent that such resolutions are not passed. Otherwise all Holders of Existing Notes will have such Notes exchanged in accordance with the resolutions.

The submission of a Definitive Notes Instruction will have the effect of granting power and authority to Mr. Antoine Lachenaud, and in his absence, Mr. Arnaud Métayer, to vote on behalf of the relevant Holder in favour of the Proposal.

An Electronic Instruction submitted by a Holder will automatically instruct the principal paying agent under the Existing Notes to appoint Mr. Antoine Lachenaud, and in his absence, Mr. Arnaud Métayer, as its proxy to attend the relevant meeting and to vote in favour of the Proposal in respect of the Existing Notes which are the subject of the Electronic Instruction.

Consequences of not Exchanging or Tendering Existing Notes

The trading market for Existing Notes not exchanged or tendered in the Offers, may be more limited than it is at present. Therefore, investors who continue to hold Existing Notes which have not been accepted in the Offers or which have not been offered for exchange or tender may find it difficult to sell or transfer their unexchanged Existing Notes. See “Risk Factors”.

Governing Law

The terms of the Offers, including without limitation each Offer Instruction shall be governed by, and construed in accordance with, French law. By submitting an Offer Instruction a Holder or Direct Participant irrevocably and unconditionally agrees for the benefit of the Issuer, the Arranger and the Exchange and Tender Agents that the competent courts in Paris are to have jurisdiction to settle any disputes which may arise out of or in connection with the Offers or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

Miscellaneous

Holders who need assistance with respect to the procedure relating to making an offer to exchange or an offer to sell should contact the Exchange and Tender Agents, the contact details for whom appear on the back cover page of this Exchange and Tender Offer Memorandum.

GENERAL INFORMATION

1. Clearing

The New Notes have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear.

The Common Code number for the Series 1 New Notes is 046851706. The International Securities Identification Number (ISIN) for the Series 1 New Notes is FR0010821132.

The Common Code number for the Series 2 New Notes is 046851676. The International Securities Identification Number (ISIN) for the Series 2 New Notes is FR0010821124.

2. Listing and admission to trading

Application has been made for the New Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

3. Authorisations

The issuance of the New Notes is expected to be authorised pursuant to a decision of the Chief Operating Officer (*Directeur Général Délégué*) of the Issuer dated 23 December 2009 acting pursuant to a resolution of the board of directors (*conseil d'administration*) of the Issuer dated 13 May 2009.

4. Documents available

Copies of this Exchange and Tender Offer Memorandum and any document incorporated by reference herein may be obtained from the places indicated in the section "Documents Incorporated by Reference" herein. In addition, copies of:

- (i) the *statuts* of BNP Paribas and the Fiscal Agency Agreement relating to the New Notes,
- (ii) the English translation of BNP Paribas' *Document de Référence* filed with the Autorité des Marchés Financiers (AMF) on 13 March 2008 (the **2007 Registration Document**) and BNP Paribas' *Document de Référence* filed with the AMF on 11 March 2009 (the **2008 Registration Document**) containing respectively the audited consolidated financial statements of BNP Paribas in English as at, and for the years ended, 31 December 2007 and 2008 (the **BNP Paribas 2007 Financial Statements** and the **BNP Paribas 2008 Financial Statements** respectively) and;
- (iii) the English translation of BNP Paribas' *Actualisations du Document de Référence* filed on 14 May 2009 (the **1st Update to the 2008 Registration Document**), on 7 August 2009 (the **2nd Update to the 2008 Registration Document and Semi Annual Financial Report**) and on 10 November 2009 (the **3rd Update to the 2008 Registration Document**) (the **Updates to the 2008 Registration Document**),

will be available for inspection during the usual business hours on any weekday (except Saturdays and public holidays) at the specified offices of the Luxembourg Exchange and Tender Agent. In addition, the 2008 Registration Document and the Updates to the 2008 Registration Document are available on the Issuer's website (invest.bnpparibas.com).

Further, as long as any New Notes remain outstanding, copies of the audited consolidated and unconsolidated annual financial statements, the semi-annual consolidated interim financial statements (and related reports) and the quarterly results' press releases of BNP Paribas for the most recent financial period will be available in the English language, free of charge, at the specified offices of the Paying Agents. The

Issuer will not provide any post-issuance information other than as set forth herein or except if required by any applicable laws and regulations.

5. Material change

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2008.

Save as disclosed in this Exchange and Tender Offer Memorandum, in the English translation of the Issuer's Second Update to the 2008 Registration Document and Semi Annual Financial Report filed with the AMF on 7 August 2009 and the English translation of the Issuer's Third Update to the 2008 Registration Document filed with the AMF on 10 November 2009 there has been no significant change in the financial position of the Group, since the end of the last financial period for which interim financial statements have been published as at 30 June 2009.

6. Litigation

Save as disclosed below, there have been no governmental, legal or arbitration proceedings, during the period covering at least the 12 months prior to the date of this Exchange and Tender Offer Memorandum which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

In December 2006, the Issuer was named as a defendant, along with AWB Limited (an Australian exporter of wheat) and Commodity Specialists Company (a wheat trader based in Minneapolis), in a putative class action lawsuit brought in New York. The plaintiffs attempted to assert claims on behalf of all Iraqis who resided in the three northern governorates of Iraq to recover the value of money that the Iraqi Government allegedly demanded be paid to it by entities that supplied goods to it pursuant to the United Nations Oil-for-Food Program. On 10 October 2007, the Issuer filed a motion to dismiss the action on the grounds that the Court lacked jurisdiction to hear the case and the plaintiffs had failed to state a claim against the Issuer. By order dated 30 September 2008, the court granted the Issuer's motion and dismissed the case in its entirety, on the grounds that jurisdiction was lacking because plaintiffs lacked standing to bring suit. On 22 October 2008, the plaintiffs filed a notice of appeal. The Second Circuit of the Federal Court of Appeals has confirmed on 2 October 2009 the district court decision rejecting the complaint. Theoretically, the claimant could petition the Supreme Court within a period of three months (extendible for two additional months).

7. Material contracts

The Issuer has not entered into contracts outside the ordinary course of the Issuer's business, which could result in the Issuer or any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of the Notes.

8. Third party information

Information contained in this Exchange and Tender Offer Memorandum which is sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has also identified the source(s) of such information.

9. Statutory Auditors

The statutory auditors of the Issuer are currently the following:

- (i) Deloitte & Associés (which has replaced Barbier Frinault & Autres) was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2006 for a six-year period expiring at the close of

the Annual General Meeting called in 2012 to approve the financial statements for the year ending 31 December 2011. Deloitte & Associés is represented by Pascal Colin.

- (ii) PricewaterhouseCoopers Audit was re-appointed as Statutory Auditor at the Annual General Meeting of 23 May 2006 for a six-year period expiring at the close of the Annual General Meeting called in 2012 to approve the financial statements for the year ending 31 December 2011. The firm was first appointed at the Annual General Meeting of 26 May 1994. PricewaterhouseCoopers Audit, represented by Gérard Hautefeuille, is a member of the PricewaterhouseCoopers network.
- (iii) Mazars was re-appointed as Statutory Auditor at the Annual General Meeting of 23 May 2006 for a six-year period expiring at the close of the Annual General Meeting called in 2012 to approve the financial statements for the year ending 31 December 2011. The firm was first appointed at the Annual General Meeting of 23 May 2000. Mazars is represented by Guillaume Potel.

Deloitte & Associés, PricewaterhouseCoopers Audit and Mazars are registered as Statutory Auditors with the Regional Association of Statutory Auditors of Versailles (*Compagnie Régionale des Commissaires aux Comptes de Versailles*) and are placed under the authority of the French national accounting oversight board (*Haut Conseil du Commissariat aux Comptes*).

The Statutory Auditors have audited the consolidated financial statements of the Group as of and for the years ended 31 December 2007 and 2008 and issued an unqualified opinion.

The addresses of the statutory auditors of the Issuer are as follows:

- (i) PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France;
- (ii) Deloitte & Associés, 185, avenue Charles de Gaulle, 92524 Neuilly-sur-Seine Cedex, France; and
- (iii) Mazars, 61, rue Henri-Regnault, 92400, Courbevoie, France.

10. Conflict of interest

Apart from the Issuer, no person involved in the offer of the New Notes has an interest material to the offer of the New Notes.

At the date of this Exchange and Tender Offer Memorandum, there is no conflict of interest that is material to the Offers or the issuance of the New Notes.

11. Yield

There is no explicit yield to maturity. The New Notes do not carry a fixed date for redemption and the Issuer is not obliged, and under certain circumstances is not permitted, to make payments on the Notes at the full stated rate. In relation to Series 2 New Notes, the estimated yield to 30 December 2019 will be published on 22 December 2009 on the website of the Luxembourg Stock Exchange (www.bourse.lu).

12. Post-issuance information

The Issuer does not intend to provide any post-issuance information, except if required by any applicable laws and regulations.

TERMS AND CONDITIONS OF NEW NOTES AND FORMS

PART A

TERMS AND CONDITIONS OF THE SERIES 1 NEW NOTES

The issue outside the French Republic of the USD Undated Deeply Subordinated Non-Cumulative Notes (the **Notes**) by BNP Paribas was decided on 23 December 2009 by the Chief Operating Officer (*Directeur Général Délégué*) of the Issuer, acting pursuant to a resolution of the board of directors (*conseil d'administration*) of the Issuer dated 13 May 2009. The Notes are issued with the benefit of a fiscal agency agreement (the **Fiscal Agency Agreement**), expected to be dated on or about 23 December 2009 between the Issuer, BNP Paribas Securities Services, as fiscal agent and principal paying agent (the **Fiscal Agent**, which expression shall, where the context so admits, include any successor for the time being of the Fiscal Agent), the other paying agents named therein (together, the **Paying Agents**, which expression shall, where the context so admits, include the Fiscal Agent and any successors for the time being of the Paying Agents or any additional paying agents appointed thereunder from time to time) and BNP Paribas Securities Services, as calculation agent (the **Calculation Agent**, which expression shall, where the context so admits, include any successor for the time being of the Calculation Agent). References below to the **Agents** shall be to the Fiscal Agent, the Paying Agents and/or the Calculation Agent, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. DEFINITIONS

For the purposes of these Conditions:

Absorption Year End means the end of the most recent fiscal year in which there was a Loss Absorption.

Account Holders has the meaning set forth in Condition 2.

Agents has the meaning set forth in the preamble to these Conditions.

Alternate Representative has the meaning set forth in Condition 10.2.

Applicable Banking Regulations means, at any time, the capital adequacy regulations then in effect of the regulatory authority in the French Republic (or if the Issuer becomes domiciled in a jurisdiction other than the French Republic, such other jurisdiction) that are applicable to the Issuer.

Base Call Price has the meaning set forth in Condition 6.2.

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

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

Calculation Agent has the meaning set forth in the preamble to these Conditions.

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

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

A Capital Deficiency Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer publishes its annual or half-year results indicating that the total risk-based consolidated capital ratio has fallen below the relevant level, or on any such other date on which the Issuer determines that such ratio has fallen below such level.

Clearstream, Luxembourg has the meaning set forth in Condition 2.

Consolidated Net Income means the consolidated net income (excluding minority interests) of the Issuer, as calculated and set out in the audited annual consolidated financial statements of the Issuer.

CRBF Regulation has the meaning set forth in Condition 3.

Current Principal Amount means the principal amount of the Notes outstanding at any time, calculated on the basis of the Original Principal Amount of the Notes as such amount may be reduced pursuant to the application of the Loss Absorption mechanism and/or reinstated on one or more occasions, pursuant to Conditions 5.1 and 5.2, respectively.

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

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

An End of Capital Deficiency Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer publishes its annual or half-year results indicating that the total risk-based consolidated capital ratio has been restored to the relevant level, or on any such other date on which the Issuer determines that such ratio has been so restored.

Equity Securities means (a) the ordinary shares of the Issuer and (b) any other class of the Issuer's share capital or other securities of the Issuer ranking junior to the Parity Securities.

Equity Securities Payment means any declaration or payment of a dividend on any Equity Securities (other than, for the avoidance of doubt, (x) a dividend or other distribution on the ordinary shares of the Issuer consisting solely of newly-issued ordinary shares, or (y) any redemption, purchase or acquisition of Equity Securities by any means).

Euroclear has the meaning set forth in Condition 2.

Euroclear France has the meaning set forth in Condition 2.

Euro-zone means the region comprised of member states of the European Union which have adopted the Euro as their national currency in accordance with the Treaty establishing the European Community, as amended.

First Call Date means 30 December 2019.

Fiscal Agency Agreement has the meaning set forth in the preamble to these Conditions.

Fiscal Agent has the meaning set forth in the preamble to these Conditions.

Interest Amount has the meaning set forth in Condition 4.

Interest Determination Date has the meaning set forth in Condition 4.

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

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

Interest Non-Payment Notice has the meaning set forth in Condition 4.3.

Issue Date means 30 December 2009.

Issuer means BNP Paribas.

London Business Day means any day, not being a Saturday or a Sunday, on which foreign exchange markets and commercial banks settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

Loss Absorption has the meaning set forth in Condition 5.

Mandatory Interest Payment means the amount of interest due on any Mandatory Interest Payment Date, as calculated in accordance with Condition 4.3.1.

Mandatory Interest Payment Date means each Interest Payment Date as to which at any time during the one-year period prior to such Interest Payment Date any of the following events occurs:

- (i) a declaration or payment of a dividend, or a payment of any nature by the Issuer on any Equity Securities (other than (x) a dividend or other distribution paid on the ordinary shares of the Issuer consisting solely of newly-issued ordinary shares, or (y) a redemption, repurchase or acquisition of any Equity Securities); or
- (ii) a payment of any nature by the Issuer on any Parity Securities (other than (x) a Reinstatement, or (y) any payment on any Parity Securities that was required to be made as a result of a dividend or other payment having been made on any Equity Securities or Parity Securities, or (z) a redemption, repurchase or acquisition of any Parity Securities),

provided, however, that if a Capital Deficiency Event occurred during the Interest Period immediately preceding such Interest Payment Date, such Interest Payment Date shall only be a Mandatory Interest Payment Date if such Capital Deficiency Event occurred prior to the relevant event described in sub-paragraph (i) or (ii) above.

Mandatory Reinstatement Amount means the lesser of (i) the difference between the Original Principal Amount of the Notes and the Current Principal Amount of the Notes, and (ii) the positive

Consolidated Net Income of the Issuer as set out in its latest audited annual consolidated financial statements. Additionally, for the purpose of a Reinstatement pursuant to clause (ii) of the definition of "Mandatory Reinstatement Event", the Mandatory Reinstatement Amount will be computed so that the Notes will be reinstated by a principal amount which is the same in percentage terms as the largest increase in principal amount of such Parity Securities.

Mandatory Reinstatement Event means (i) a Restricted Payment, or (ii) the increase by the Issuer of the principal amount of any Parity Securities other than the Notes, the terms of which contain a provision for the reinstatement of their principal amount similar to that of the Notes.

Margin means 3.750 per cent. per annum with respect any Interest Period from (and including) the Issue Date to (but excluding) the First Call Date, and 4.750 per cent. per annum thereafter.

Masse has the meaning set forth in Condition 10.

New York Business Day means any day, not being a Saturday or a Sunday, on which foreign exchange markets and commercial banks settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York.

Noteholders means the holders of the Notes.

Notional Interest Amount has the meaning set forth in Condition 4.3.

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

Ordinarily Subordinated Obligations means any obligations (including any bonds or notes) of the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and which at all times rank *pari passu* and without any preference among themselves and equally and ratably with any other existing or future Ordinarily Subordinated Obligations, behind Unsubordinated Obligations but in priority to Equity Securities, the Notes, Parity Securities, *prêts participatifs* granted to the Issuer and *titres participatifs* issued by the Issuer.

Original Principal Amount means the nominal amount of each Note on the Issue Date (*i.e.*, USD 2,000), which amount may be permanently reduced in the event of a partial call as set forth in Condition 6.2.

Parity Securities means (x) any deeply subordinated obligations (*titres subordonnés de dernier rang*) or other instruments issued by the Issuer which (i) rank, or are expressed to rank, *pari passu* among themselves and with the Notes and behind the *prêts participatifs* granted to the Issuer, the *titres participatifs* issued by the Issuer, the Ordinarily Subordinated Obligations and the Unsubordinated Obligations and (ii) meet the requirements to be eligible as Tier 1 Capital (as defined below) of the Issuer, or (y) any claim against the Issuer by any subsidiary of the Issuer under a support agreement, guarantee or other agreement or instrument issued by the Issuer in favor of any subsidiary of the Issuer that has issued or will issue preferred securities or preferred or preference shares, the proceeds of which issuance qualify as Tier 1 Capital of the Issuer (for the avoidance of doubt, "Parity Securities" include, without limitation, BNP Paribas' US\$1,350,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 29 June 2005, its EUR 1,000,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 17 October 2005, its US\$400,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 17 October 2005, its EUR 750,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 12 April 2006, its £450,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 19 April 2006, its EUR 150,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 July 2006, its £325,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 July 2006, its

EUR 750,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 April 2007, its US\$600,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 6 June 2007, its US\$1,100,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 25 June 2007, its £200,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 23 October 2007, its EUR 500,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 30 June 2008, its EUR 650,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 11 September 2008, its EUR 100,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 18 September 2008 and any claims under the support agreements relating to (i) BNP Paribas Capital Preferred L.L.C.'s 9.003% Noncumulative Company Preferred Securities, (ii) BNP Paribas Capital Preferred III L.L.C.'s 6.625% Noncumulative Company Preferred Securities, (iii) BNP Paribas Capital Preferred IV L.L.C.'s 6.342% Noncumulative Company Preferred Securities and (iv) BNP Paribas Capital Preferred VI L.L.C.'s 5.868% Noncumulative Company Preferred Securities).

Parity Securities Payment means any payment of any nature on any Parity Securities (other than, for the avoidance of doubt, (x) any payment on any Parity Securities (other than the Notes) that was required to be made as a result of a dividend or other payment having been made on any Equity Securities or Parity Securities, or (y) any redemption, purchase or acquisition of Parity Securities by any means).

Paying Agents has the meaning set forth in the preamble to these Conditions.

Reinstatement has the meaning set forth in Condition 5.

Relevant Banking Regulator means the SGCB or its successor or any other relevant regulatory authority by which the Issuer is then supervised.

Relevant Date has the meaning set forth in Condition 8.

Representative has the meaning set forth in Condition 10.1.

Restricted Payment means an Equity Securities Payment or a Parity Securities Payment.

Return to Profitability has the meaning set forth in Condition 5.

SGCB means the *Secrétariat général de la Commission bancaire*.

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

Underlying Security has the meaning set forth in Condition 4.3.

Underlying Security Payment Percentage has the meaning set forth in Condition 4.3.

Unsubordinated Obligations means any obligations (including any bonds or notes) of the Issuer which constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and which rank in priority to the Ordinarily Subordinated Obligations.

2. FORM, DENOMINATION AND TITLE

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of USD 2,000 each. Title to the Notes will be evidenced in accordance with Article L.211-3 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* referred to in Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be entered in the books of Euroclear France S.A. (**Euroclear France**, located at 115, rue Réaumur, 75002 Paris, France), which shall credit the accounts of the Account Holders. For the purpose of these Conditions, **Account Holder** shall mean any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes the depositary banks for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**).

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

3. STATUS OF THE NOTES AND SUBORDINATION

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L. 228-97 of the French *Code de commerce*.

The proceeds of the issue of the Notes will be treated, for regulatory purposes, as *fonds propres de base* of the Issuer (**Tier 1 Capital**). *Fonds propres de base* shall have the meaning given to it in Article 2 of *Règlement n° 90-02* dated 23 February 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (the **CRBF Regulation**), or otherwise recognized as *fonds propres de base* by the SGCB. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated 27 October 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the **BIS Press Release**). The French language version of the BIS Press Release is attached as an exhibit to the report published annually by the SGCB entitled "*Modalités de calcul du ratio international de solvabilité*".

The principal and interest on the Notes (which constitute *obligations* under French law) constitute direct, unconditional, unsecured, undated and deeply subordinated obligations (*titres subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and with all other present and future Parity Securities, but shall be subordinated to the present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to holders of Equity Securities.

There is no restriction on the amount of debt that the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank senior in priority of payment to the Notes.

4. INTEREST AND INTEREST SUSPENSION

4.1. General

The Notes bear interest on their Current Principal Amount at a floating rate equal to 3-month USD LIBOR plus the Margin (the **Interest Rate**), as determined by the Calculation Agent in accordance with Condition 4.2 below and payable quarterly in arrear on a non-cumulative basis on 30 March, 30 June, 30 September and 30 December of each year (each, an **Interest Payment Date**).

Interest will cease to accrue on the Notes on the due date for redemption thereof unless, upon such due date, payment of principal is improperly withheld or refused or if default otherwise occurs in respect of payment thereof. In such event, interest will continue to accrue at the relevant rate as specified in the preceding paragraph (before as well as after any judgment) on the Original Principal

Amount of the Notes until the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholder.

4.2. Interest Rate

4.2.1. Determination of the Interest Rate

The Notes bear interest at the Interest Rate, payable (subject to Condition 4.3) on each Interest Payment Date.

The Interest Rate for each Interest Period will be determined by the Calculation Agent on the following basis:

- (a) the Calculation Agent will determine the 3-month rate for deposits in U.S. dollars which appears on the display designated on Reuters Page LIBOR01 (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying comparable rates) as of 11:00 a.m. (London time), on the second London Business Day before the first day of the relevant Interest Period (the **Interest Determination Date**); or
- (b) if at the specified time such rate does not appear on that page, the Calculation Agent will:
 - (A) request the principal London office of each of four major banks in the London interbank market as selected by it (but which shall not include the Calculation Agent) to provide a quotation of the rate at which deposits in U.S. dollars are offered by it at approximately 11:00 a.m. (London time) on the Interest Determination Date to prime banks in the London interbank market for a 3-month period and in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations with the highest and the lowest (or in the event of equality, one of the highest and/or the lowest) of such quotations being disregarded for the purposes of the calculations; or
- (c) if fewer than two such quotations are provided as requested by the Calculation Agent in accordance with the above paragraph, the Calculation Agent will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in London, selected by the Calculation Agent, at approximately 11:00 a.m. (London time) on the first day of the relevant Interest Period for loans in U.S. dollars to leading Euro-zone banks for a 3-month period commencing on the first day of such Interest Period and in an amount that is representative for a single transaction in that market at that time,

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

4.2.2. Calculation of Interest Amount by the Calculation Agent

The Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each Interest Determination Date in relation to each Interest Period, calculate the amount of interest (the **Interest Amount**) payable in respect of each Note for such Interest Period. The Interest Amount payable on the Notes on the relevant Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Interest Rate for such Interest Period, multiplied by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

If interest is required to be calculated in respect of the Interest Period where the Current Principal Amount of the Notes is less than their Original Principal Amount for a portion thereof, it shall be calculated by the Calculation Agent by applying the Interest Rate to the Current Principal Amount of the Notes as determined from time to time within the Interest Period, multiplying such product by the actual number of days divided by 360 for each relevant portion of the Interest Period, adding the results for all such portions and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

4.2.3. Publication of Interest Rate and Interest Amount

The Calculation Agent will cause the Interest Rate and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent and the Luxembourg Stock Exchange and will cause the publication thereof in accordance with Condition 11 on or as soon as practicable after the first day of the relevant Interest Period. The Interest Amount so published may subsequently be amended (or appropriate arrangements made by way of adjustment). If the Notes become due and payable under Condition 6.2(b) or 6.3 (in case of a purchase of all the outstanding Notes) or under Condition 9, no publication of the Interest Rate or the Interest Amount so calculated need be made.

4.3. Mandatory Interest and Optional Interest

4.3.1. Mandatory Interest Payment

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

In order to calculate the amount of interest required to be paid on the Notes on a Mandatory Interest Payment Date pursuant to this Condition 4.3.1 (the **Mandatory Interest Payment**):

- (i) if the Mandatory Interest Payment results from an event described in sub-paragraph (i) of the definition of Mandatory Interest Payment Date, it will be calculated on the basis of the Current Principal Amount of the Notes applying the Interest Rate for such Interest Period, as the case may be, and
- (ii) if the Mandatory Interest Payment results from an event described in sub-paragraph (ii) of the definition of Mandatory Interest Payment Date, it shall be equal to the Notional Interest Amount.

Notional Interest Amount means, in respect of any Note, the amount of interest which would have been payable, absent a non-payment of interest pursuant to Conditions 4.3.2 and

4.4 below, for the one-year period prior to, and including, such Interest Payment Date, calculated by the Issuer on the basis of the Current Principal Amount of such Note, multiplied by the Underlying Security Payment Percentage, as calculated by the Issuer prior to the relevant Interest Payment Date.

Underlying Security means the class of Parity Securities in respect of which the payments made represent the highest proportion of the payment which would have been payable during the one-year period prior to, and including, the relevant Interest Payment Date.

Underlying Security Payment Percentage means the ratio, calculated by the Issuer as a percentage, equal to (i) the payments effectively made on the Underlying Security during the one-year period prior to, and including, the relevant Interest Payment Date, divided by (ii) the maximum amount of the payments which would have been payable during such period on the Underlying Security.

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

4.3.2. Optional Interest Payment

For so long as the mandatory interest provisions do not apply, the Issuer may elect not to pay interest on any Optional Interest Payment Date, in particular with a view to restoring its regulatory capital in order to ensure the continuity of its activities without weakening its financial structure.

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

Notice of non-payment of all or any interest under the Notes on any Optional Interest Payment Date (an **Interest Non-Payment Notice**) shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, to the Luxembourg Stock Exchange. The Interest Non-Payment Notice shall be given no later than two London Business Days prior to the relevant Optional Interest Payment Date.

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

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

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

4.4. Optional Interest and Capital Deficiency Event

4.4.1. Interest Payable on Optional Interest Payment Dates Following the Occurrence of a Capital Deficiency Event

In the event that during any Interest Period, on or at any time prior to the fifth Business Day prior to an Optional Interest Payment Date, a Capital Deficiency Event has occurred or would occur upon payment of the interest due on the next Optional Interest Payment Date:

- (i) the accrual of interest, if any, in respect of the Notes shall automatically be suspended. In addition, the amount of Broken Interest may be reduced to absorb losses in accordance with Condition 5.1; and
- (ii) no interest on the Notes shall accrue nor be payable by the Issuer with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Capital Deficiency Event and ending on the date of the End of Capital Deficiency Event.

4.4.2. Interest Payable on Optional Interest Payment Dates after End of Capital Deficiency Event

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

In respect of any Optional Interest Payment Date which occurs on or after the End of Capital Deficiency Event, interest on the Notes will recommence accruing on its Current Principal Amount, on the basis of the number of days elapsed during the period from (and including) the date of End of Capital Deficiency Event to (but excluding) the next succeeding Interest Payment Date as calculated by the Calculation Agent in accordance with Condition 4.1 or, as the case may be, 4.2. At the option of the Issuer, such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Capital Deficiency Event (inclusive). Any such interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

5. LOSS ABSORPTION AND RETURN TO PROFITABILITY

5.1. Loss Absorption

In the event that, at any time, a Capital Deficiency Event has occurred, the board of directors of the Issuer will convene an extraordinary shareholders' meeting to be held during the three months following the occurrence of such event in order to propose a share capital increase or any other measure regarded as necessary or useful to remedy such event. If a share capital increase or any such other proposed measure is not adopted by the Issuer's extraordinary shareholders' meeting or if the share capital increase is not sufficiently subscribed to remedy such event in full, or if such event remains in effect at the end of the Quarter following the Quarter during which the Capital Deficiency Event has occurred, the board of directors of the Issuer will implement, within ten days, a reduction of the amount of Broken Interest, if any, and thereafter for purposes of computing the Interest Amount a reduction of the Current Principal Amount of the Notes (a **Loss Absorption**). **Quarter** means one quarter of a calendar year, *i.e.*, 1st January to 31st March, 1st April to 30th June, 1st July to 30th September and 1st October to 31st December.

Notwithstanding any other provision, the Current Principal Amount of each Note shall never be reduced to an amount lower than one cent of one U.S. dollar (USD 0.01).

The amounts by which Broken Interest and, as the case may be, the Current Principal Amount of the Notes are reduced to enable the Issuer to absorb losses in order to ensure the continuity of its activities in accordance with the Applicable Banking Regulations, will be (in the case that a Capital Deficiency Event has occurred pursuant to clause (a) of the definition thereof) the lower of (i) the

amount of the excess of (a) the total consolidated capital required by Applicable Banking Regulations over (b) the total consolidated capital of the Issuer after the share capital increase or any other measures adopted by the shareholders' meeting of the Issuer to remedy such Capital Deficiency Event (or the total consolidated capital of the Issuer in the absence of such measures) and (ii) the sum of the amounts of Broken Interest, if any, and the Current Principal Amount of the Notes before such reduction. In the case that a Capital Deficiency Event has occurred pursuant to clause (b) of the definition thereof, the amounts by which Broken Interest and, as the case may be, the Current Principal Amount of the Notes are reduced, will be determined by the Issuer with the consent of the Relevant Banking Regulator.

For the avoidance of doubt, the first remedy to the Capital Deficiency Event will be the share capital increase or the implementation of any other measures adopted by the extraordinary shareholders' meeting of the Issuer to remedy such Capital Deficiency Event. To the extent such increase of share capital or other measures are not sufficient, the Loss Absorption will be applied first against the amount of Broken Interest, if any, and thereafter, if necessary, against the Current Principal Amount of the Notes as herein described.

Broken Interest and the Current Principal Amount of the Notes may be reduced on one or more occasions, as required.

In the event that other Parity Securities which would be subject to such reductions are outstanding, such reductions will be applied on a pro-rata basis among the Notes and such other Parity Securities. Interest accrued and payable on any Mandatory Interest Payment Date is not subject to reduction.

Notice of any Capital Deficiency Event and of any End of Capital Deficiency Event shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given as soon as practicable following the occurrence of a Capital Deficiency Event and of any End of Capital Deficiency Event. Notice of any reduction of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given at least seven days prior to the relevant reduction of the Current Principal Amount.

For the avoidance of doubt, the occurrence of a Capital Deficiency Event and any resulting notice will be effective only with respect to the interest amount due on the immediately following Interest Payment Date. As appropriate, the Issuer will make a new determination and deliver other notice(s) with respect to any subsequent Interest Payment Date in relation to which a Capital Deficiency Event is continuing or occurs again.

5.2. Return to Profitability

If, following a Loss Absorption, the Issuer has recorded positive Consolidated Net Income for at least two consecutive fiscal years (a **Return to Profitability**) following the end of the most recent fiscal year in which there was a Loss Absorption (the **Absorption Year End**), the Issuer shall increase the Current Principal Amount of the Notes (a **Reinstatement**) on any date and in any amount that it determines (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount), to the extent any such Reinstatement complies with Applicable Banking Regulations.

Irrespective of whether a Return to Profitability has occurred, the Issuer shall increase the Current Principal Amount of the Notes in an amount equal to the Mandatory Reinstatement Amount on any date that it determines if (i) a Mandatory Reinstatement Event has occurred since the Absorption Year End, and (ii) the Issuer has not since such Mandatory Reinstatement Event occurred made a

Reinstatement up to the Original Principal Amount pursuant to the provisions of the immediately preceding paragraph.

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

For the avoidance of doubt, any Reinstatement shall be made in a maximum amount that will ensure that such Reinstatement does not trigger the occurrence of a Capital Deficiency Event or, except with respect to any optional redemption by the Issuer of the Notes in accordance with their terms, a worsening of a Capital Deficiency Event.

No payments will be made to holders of Equity Securities, in each case to the extent categorized as Tier 1 Capital, before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

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

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

For the avoidance of doubt, any Broken Interest that has been reduced pursuant to Condition 5.1 shall not be reinstated pursuant to this Condition 5.2.

Notice of any Return to Profitability shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given as soon as practicable following the occurrence of a Return to Profitability. Notice of any Reinstatement and any increase of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, to the Luxembourg Stock Exchange. Such notice shall be given at least seven days prior to the relevant Reinstatement and increase of the Current Principal Amount of the Notes.

6. REDEMPTION AND PURCHASE

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

6.1. No Final Redemption

The Notes are undated securities in respect of which there is no fixed redemption or maturity date.

6.2. Issuer's Call Options Subject to the Approval of the Relevant Banking Regulator

(a) General Call Option

On the First Call Date and on any Interest Payment Date thereafter, the Issuer, subject to having given not less than 30, and not more than 60, days' prior notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to prior approval of the Relevant Banking Regulator, may, at its option, redeem the Notes in whole or in part at a price (the **Base Call Price**) equal to the Original Principal Amount of the Notes, together with any amounts outstanding thereon, including accrued interest.

In the case of a partial call, this shall be performed by way of an equal reduction of the Original Principal Amount of each of the Notes. For the avoidance of doubt, such reduction is distinct from a Loss Absorption. Following a partial call the Original Principal Amount of each Note shall be permanently reduced by the amount of principal called and paid for.

(b) Redemption for Regulatory Reasons or Taxation Reasons

- (i) If by reason of any change in French law, any change in Applicable Banking Regulations, or any change in the official application or interpretation of such laws or regulations, becoming effective on or after the Issue Date, the proceeds of the Notes cease to be eligible as Tier 1 Capital for the Issuer, the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last day before the date on which the proceeds of the Notes cease to meet the requirements to be eligible as Tier 1 Capital.
- (ii) If by reason of any change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), or any other change in the tax treatment of the Notes, becoming effective on or after the Issue Date, interest payment under the Notes is no longer tax-deductible by the Issuer for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes, the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes.
- (iii) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8.2, the Issuer may, at any time, subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be

given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

- (iv) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8.2, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

6.3. Purchases

The Issuer may at any time purchase Notes in the open market or otherwise at any price provided that it has obtained the prior approval of the Relevant Banking Regulator.

6.4. Cancellation

All Notes which are purchased or redeemed by the Issuer pursuant to Conditions 6.2 or 6.3 (other than in the event of a partial call, as set out in Condition 6.2(a)) will be cancelled and accordingly may not be reissued or sold.

7. PAYMENTS AND CALCULATIONS

7.1. Method of Payment

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

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

7.2. U.S. Paying Agents

Notwithstanding the foregoing, payments will be made at the specified office in the United States of any Paying Agent and (if no such appointment is then in effect) the Issuer shall appoint and maintain a Paying Agent with a specified office in New York City at which payments will be made if (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that the Paying Agents would be able to make payment at the specified offices outside the United States of the full amount payable with respect to the Notes in the manner

provided above when due, (ii) payment of the full amount due in U.S. dollars at all specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) the payment is then permitted under United States law

7.3. Payments on Business Days

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

For the purposes of this Condition, **Business Day** means any day, not being a Saturday or a Sunday on which Euroclear France, Euroclear and Clearstream, Luxembourg are operating and which is both a London Business Day and a New York Business Day.

7.4. Fiscal Agent, Paying Agents and Calculation Agent

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

FISCAL AGENT AND PRINCIPAL PAYING AGENT
BNP Paribas Securities Services
9, rue Débarcadère
93500 Pantin
France

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

7.5. Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of these Conditions whether by the Calculation Agent or the relevant banks in the London interbank market (or any of them) shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents, the Fiscal Agent, the relevant banks in the London interbank market and the Noteholders. No Noteholder shall (in the absence of the aforesaid wilful default or manifest error) be entitled to proceed against the Calculation Agent or any of the foregoing entities in connection with the exercise or non-exercise by them of their powers, duties and discretionary judgments.

8. TAXATION

8.1. Withholding Tax Exemption

Payments of interest and other revenues made by the Issuer in respect of the Notes to non-French tax residents who do not invest from a permanent establishment or a fixed base situated in France and who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in the *Instruction* of the *Direction Générale des Impôts* 5 I-11-98 dated 30 September 1998 and in the *Rescripts* of the *Direction Générale des Impôts* 2007/59 (FP) dated 8 January 2008 and 2009/23 (FP) dated 7 April 2009) from the exemption provided for in Article 131 *quater* of the French *Code général des impôts* (General Tax Code) from deduction of tax at source. Accordingly, such payments do not give the right to any tax credit from any French source.

8.2. Additional Amounts

If French law or regulations should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the French Republic or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary so that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a Noteholder (or beneficial owner (*ayant droit*)):

- (a) who is subject to such taxes, duties, assessments or other governmental charges in respect of such Note by reason of his having some present or former connection with the French Republic other than the mere holding of such Note; or
- (b) more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to such additional amounts on the last day of such period of 30 days; or
- (c) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

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

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

9. MANDATORY REDEMPTION

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

The rights of the Noteholders in the event of a liquidation of the Issuer will be calculated on the basis of the Original Principal Amount of the Notes they hold together with interest accrued and due in accordance with the Conditions and any other outstanding payments under the Notes. No payments

will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer (including holders of Unsubordinated Obligations, holders of Ordinarily Subordinated Obligations, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer, but excluding Parity Securities, which will be paid *pro rata* with the Notes) have been paid by the Issuer, as ascertained by the judicial liquidator.

No payments will be made to holders of Equity Securities before all amounts due, but unpaid, to all Noteholders have been paid by the Issuer, as ascertained by the judicial liquidator.

10. REPRESENTATION OF THE NOTEHOLDERS

Noteholders will form a *masse* under French law in defense of their common interests (hereinafter referred to as the "*Masse*").

The Masse will be governed by the provisions of the French Code de commerce (with the exception of the provisions of Articles L. 228-48, L. 228-59, L.228-65-II, L.228-71, R.228-63, R.228-67, R.228-69 and R.228-72 thereof), subject to the provisions below.

10.1. A Legal Entity

The *Masse* will be treated as a separate legal entity and will act in part through its representative (hereinafter referred to as the **Representative**) and in part through general assemblies of Noteholders.

The *Masse*, acting alone and to the exclusion of all individual Noteholders, will exercise the collective rights of the Noteholders with respect to the Notes, both present and future.

10.2. Representative

A person of any nationality may serve as the Representative of the *Masse*. However, the following persons may not be designated a Representative:

- (a) the Issuer, the members of the Issuer's board of directors (*conseil d'administration*), the Issuer's executive officers (*directeurs généraux*), the Issuer's statutory auditors or the Issuer's employees, as well as the ascendants, descendants or spouses of any such persons; or
- (b) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), executive officers (*directeurs généraux*), members of their board of directors, executive board or supervisory board, their statutory auditors or their employees, as well as the ascendants, descendants or spouses of any such persons; or
- (c) companies holding 10 per cent. or more of the share capital of the Issuer, or companies in which the Issuer holds 10 per cent. or more of the share capital; or
- (d) persons who are restricted from the practice of banking or who have been deprived of the right to direct, administer or manage a company in any capacity whatsoever.

The initial Representative of the *Masse* has been designated as:

Antoine Lachenaud
10, rue de Sèze
75009 Paris
France

The alternate representative (the **Alternate Representative**) has been designated as:

Arnaud Métayer
6-8, avenue de Messine
75008 Paris
France

In the event of the death, incapacity, resignation or revocation of the powers of the Representative, he or she will be replaced by the Alternate Representative, and all references to the "Representative" herein will be deemed to refer to the "Alternate Representative". The Alternate Representative will then have the same powers as the Representative.

In the event of the death, incapacity, resignation or revocation of the powers of the Alternate Representative, he or she will be replaced by a person selected at a general assembly of Noteholders.

The Issuer shall pay to the Representative an amount of EUR 3,000 in connection with his services, payable on the Issue Date. The Alternate Representative will be entitled to payment of EUR 300 per year only if it begins to exercise the duties of Representative on a permanent basis; such compensation will begin to accrue on the date that the Alternate Representative assumes these duties.

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

10.3. Powers of the Representative

The Representative shall, in the absence of any decision by the general assembly of Noteholders that provides otherwise, have the power to take undertake all actions that aim at defending the common interests of the Noteholders. All legal proceedings initiated against the Noteholders must be initiated against the Representative, and all legal proceedings initiated by the Noteholders must be initiated by the Representative.

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

10.4. General Assemblies of Noteholders

General assemblies of Noteholders may be held at any time, at the request of either the Issuer or the Representative. One or more Noteholders, who individually or collectively hold at least one-thirtieth of the outstanding Notes, may demand that the Issuer and the Representative convene a general assembly. If a general assembly has not been convened within two months of the date of this demand, these Noteholders may designate one person among them to petition a court within the jurisdiction of the Paris Court of Appeals to appoint an agent (*mandataire*) on the Noteholders' behalf, who will then be responsible for convening a general assembly.

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

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

10.5. Powers of General Assemblies

A general assembly is empowered to deliberate on the reduction of compensation for the Representative or the Alternate Representative, and may also decide to remove or replace the Representative or the Alternate Representative. A general assembly may also act on any other matter that affects the collective rights of the Noteholders with respect to the Notes, both present and future, including authorizing the Representative to act as plaintiff or defendant in any action.

A general assembly may further deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes, including any proposal in connection with arbitration or settlement proceedings relating to disputed rights or rights that were the subject of judicial decisions; *provided, however*, that a general assembly may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares, and provided further that no amendment to the status of the Notes may be approved without the prior consent of the Relevant Banking Regulator.

A general assembly may validly deliberate on the first date on which it is convened only if the Noteholders present or otherwise represented at such assembly hold at least one-quarter of the Notes then outstanding. On the second date on which a general assembly is convened, if any, no such quorum shall be required. Decisions at assemblies shall be taken based on a simple majority of votes cast, either by Noteholders attending the assembly in person or who are otherwise represented at such assembly for voting purposes.

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

10.6. Information to the Noteholders

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

10.7. Expenses

The Issuer will pay all expenses incurred in connection with the functioning of the *Masse*, including the expenses of calling and holding general assemblies and the Representative's compensation, and more generally will pay all administrative costs of the *Masse* as documented at a general assembly of Noteholders, it being expressly stipulated that no expenses may be offset against interest payable on the Notes.

11. NOTICES

Any notice to the Noteholders will be valid if delivered to the Noteholders through Euroclear France, Euroclear or Clearstream, Luxembourg, for so long as the Notes are cleared through such clearing systems. So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of such exchange so require, any notice shall also be published (i) in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *d'Wort*), or (ii) on the website of the Luxembourg Stock Exchange (www.bourse.lu). If any such publication is not

practicable, notice shall be validly given if published in a leading English language daily newspaper having 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 first date on which such publication is made.

12. PRESCRIPTION

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

13. FURTHER ISSUES

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

14. GOVERNING LAW AND JURISDICTION

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

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

PART B
TERMS AND CONDITIONS OF THE SERIES 2 NEW NOTES

The issue outside the French Republic of the USD Undated Deeply Subordinated Non-Cumulative Notes (the **Notes**) by BNP Paribas was decided on 23 December 2009 by the Chief Operating Officer (*Directeur Général Délégué*) of the Issuer, acting pursuant to a resolution of the board of directors (*conseil d'administration*) of the Issuer dated 13 May 2009. The Notes are issued with the benefit of a fiscal agency agreement (the **Fiscal Agency Agreement**), expected to be dated on or about 23 December 2009 among the Issuer, BNP Paribas Securities Services, as fiscal agent and principal paying agent (the **Fiscal Agent**, which expression shall, where the context so admits, include any successor for the time being of the Fiscal Agent), the other paying agents named therein (together, the **Paying Agents**, which expression shall, where the context so admits, include the Fiscal Agent and any successors for the time being of the Paying Agents or any additional paying agents appointed thereunder from time to time) and BNP Paribas Securities Services, as calculation agent (the **Calculation Agent**, which expression shall, where the context so admits, include any successor for the time being of the Calculation Agent). References below to the **Agents** shall be to the Fiscal Agent, the Paying Agents and/or the Calculation Agent, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. DEFINITIONS

For the purposes of these Conditions:

30/360 day count fraction has the meaning set forth in Condition 4.2

Absorption Year End means the end of the most recent fiscal year in which there was a Loss Absorption.

Account Holders has the meaning set forth in Condition 2.

Agents has the meaning set forth in the preamble to these Conditions.

Alternate Representative has the meaning set forth in Condition 10.2.

Applicable Banking Regulations means, at any time, the capital adequacy regulations then in effect of the regulatory authority in the French Republic (or if the Issuer becomes domiciled in a jurisdiction other than the French Republic, such other jurisdiction) that are applicable to the Issuer.

Base Call Price has the meaning set forth in Condition 6.2.

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

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

Calculation Agent has the meaning set forth in the preamble to these Conditions.

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

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

A Capital Deficiency Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer publishes its annual or half-year results indicating that the total risk-based consolidated capital ratio has fallen below the relevant level, or on any such other date on which the Issuer determines that such ratio has fallen below such level.

Clearstream, Luxembourg has the meaning set forth in Condition 2.

Consolidated Net Income means the consolidated net income (excluding minority interests) of the Issuer, as calculated and set out in the audited annual consolidated financial statements of the Issuer.

CRBF Regulation has the meaning set forth in Condition 3.

Current Principal Amount means the principal amount of the Notes outstanding at any time, calculated on the basis of the Original Principal Amount of the Notes as such amount may be reduced pursuant to the application of the Loss Absorption mechanism and/or reinstated on one or more occasions, pursuant to Conditions 5.1 and 5.2, respectively.

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

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

An End of Capital Deficiency Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer publishes its annual or half-year results indicating that the total risk-based consolidated capital ratio has been restored to the relevant level, or on any such other date on which the Issuer determines that such ratio has been so restored.

Equity Securities means (a) the ordinary shares of the Issuer and (b) any other class of the Issuer's share capital or other securities of the Issuer ranking junior to the Parity Securities.

Equity Securities Payment means any declaration or payment of a dividend on any Equity Securities (other than, for the avoidance of doubt, (x) a dividend or other distribution on the ordinary shares of the Issuer consisting solely of newly-issued ordinary shares, or (y) any redemption, purchase or acquisition of Equity Securities by any means).

Euroclear has the meaning set forth in Condition 2.

Euroclear France has the meaning set forth in Condition 2.

Euro-zone means the region comprised of member states of the European Union which have adopted the Euro as their national currency in accordance with the Treaty establishing the European Community, as amended.

First Call Date means 30 December 2019.

Fiscal Agency Agreement has the meaning set forth in the preamble to these Conditions.

Fiscal Agent has the meaning set forth in the preamble to these Conditions.

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

Fixed Rate Interest Payment Date has the meaning set forth in Condition 4.

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

Floating Rate Interest Amount has the meaning set forth in Condition 4.

Floating Rate Interest Determination Date has the meaning set forth in Condition 4.

Floating Rate Interest Payment Date has the meaning set forth in Condition 4.

Floating Rate Interest Period means the period beginning on (and including) the First Call Date and ending on (but excluding) the first Floating Rate Interest Payment Date and each successive period beginning on (and including) a Floating Rate Interest Payment Date and ending on (but excluding) the next succeeding Floating Rate Interest Payment Date.

Interest Amount means a Fixed Rate Interest Amount and/or a Floating Rate Interest Amount, as the case may be.

Interest Non-Payment Notice has the meaning set forth in Condition 4.3.

Interest Payment Date means a Fixed Rate Interest Payment Date or a Floating Rate Interest Payment Date, as the case may be.

Interest Period means a Fixed Rate Interest Period or a Floating Rate Interest Period, as the case may be.

Issue Date means 30 December 2009.

Issuer means BNP Paribas.

London Business Day means any day, not being a Saturday or a Sunday, on which foreign exchange markets and commercial banks settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

Loss Absorption has the meaning set forth in Condition 5.

Mandatory Interest Payment means the amount of interest due on any Mandatory Interest Payment Date, as calculated in accordance with Condition 4.3.1.

Mandatory Interest Payment Date means each Interest Payment Date as to which at any time during the one-year period prior to such Interest Payment Date any of the following events occurs:

- (i) a declaration or payment of a dividend, or a payment of any nature by the Issuer on any Equity Securities (other than (x) a dividend or other distribution paid on the ordinary shares of the Issuer consisting solely of newly-issued ordinary shares, or (y) a redemption, repurchase or acquisition of any Equity Securities); or
- (ii) a payment of any nature by the Issuer on any Parity Securities (other than (x) a Reinstatement, or (y) any payment on any Parity Securities that was required to be made as a result of a dividend or other payment having been made on any Equity Securities or Parity Securities, or (z) a redemption, repurchase or acquisition of any Parity Securities),

provided, however, that if a Capital Deficiency Event occurred during the Interest Period immediately preceding such Interest Payment Date, such Interest Payment Date shall only be a Mandatory Interest Payment Date if such Capital Deficiency Event occurred prior to the relevant event described in sub-paragraph (i) or (ii) above.

Mandatory Reinstatement Amount means the lesser of (i) the difference between the Original Principal Amount of the Notes and the Current Principal Amount of the Notes, and (ii) the positive Consolidated Net Income of the Issuer as set out in its latest audited annual consolidated financial statements. Additionally, for the purpose of a Reinstatement pursuant to clause (ii) of the definition of "Mandatory Reinstatement Event", the Mandatory Reinstatement Amount will be computed so that the Notes will be reinstated by a principal amount which is the same in percentage terms as the largest increase in principal amount of such Parity Securities.

Mandatory Reinstatement Event means (i) a Restricted Payment, or (ii) the increase by the Issuer of the principal amount of any Parity Securities other than the Notes, the terms of which contain a provision for the reinstatement of their principal amount similar to that of the Notes.

Masse has the meaning set forth in Condition 10.

New York Business Day means any day, not being a Saturday or a Sunday, on which foreign exchange markets and commercial banks settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York.

Noteholders means the holders of the Notes.

Notional Interest Amount has the meaning set forth in Condition 4.3.

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

Ordinarily Subordinated Obligations means any obligations (including any bonds or notes) of the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and which at all times rank *pari passu* and without any preference among themselves and equally and ratably with any other existing or future Ordinarily Subordinated Obligations, behind Unsubordinated Obligations but in priority to Equity Securities, the Notes, Parity Securities, *prêts participatifs* granted to the Issuer and *titres participatifs* issued by the Issuer.

Original Principal Amount means the nominal amount of each Note on the Issue Date (*i.e.*, USD 2,000), which amount may be permanently reduced in the event of a partial call as set forth in Condition 6.2.

Parity Securities means (x) any deeply subordinated obligations (*titres subordonnés de dernier rang*) or other instruments issued by the Issuer which (i) rank, or are expressed to rank, *pari passu* among themselves and with the Notes and behind the *prêts participatifs* granted to the Issuer, the *titres participatifs* issued by the Issuer, the Ordinarily Subordinated Obligations and the Unsubordinated Obligations and (ii) meet the requirements to be eligible as Tier 1 Capital (as defined below) of the Issuer, or (y) any claim against the Issuer by any subsidiary of the Issuer under a support agreement, guarantee or other agreement or instrument issued by the Issuer in favor of any subsidiary of the Issuer that has issued or will issue preferred securities or preferred or preference shares, the proceeds of which issuance qualify as Tier 1 Capital of the Issuer (for the avoidance of doubt, "Parity Securities" include, without limitation, BNP Paribas' US\$1,350,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 29 June 2005, its EUR 1,000,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 17 October 2005, its US\$400,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 17 October 2005, its EUR 750,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 12 April 2006, its £450,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 19 April 2006, its EUR 150,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 July 2006, its £325,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 July 2006, its EUR 750,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 13 April 2007, its US\$600,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 6 June 2007, its US\$1,100,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 25 June 2007, its £200,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 23 October 2007, its EUR 500,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 30 June 2008, its EUR 650,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 11 September 2008, its EUR 100,000,000 Undated Deeply Subordinated Non-Cumulative Notes issued on 18 September 2008 and any claims under the support agreements relating to (i) BNP Paribas Capital Preferred L.L.C.'s 9.003% Noncumulative Company Preferred Securities, (ii) BNP Paribas Capital Preferred III L.L.C.'s 6.625% Noncumulative Company Preferred Securities, (iii) BNP Paribas Capital Preferred IV L.L.C.'s 6.342% Noncumulative Company Preferred Securities and (iv) BNP Paribas Capital Preferred VI L.L.C.'s 5.868% Noncumulative Company Preferred Securities).

Parity Securities Payment means any payment of any nature on any Parity Securities (other than, for the avoidance of doubt, (x) any payment on any Parity Securities (other than the Notes) that was required to be made as a result of a dividend or other payment having been made on any Equity Securities or Parity Securities, or (y) any redemption, purchase or acquisition of Parity Securities by any means).

Paying Agents has the meaning set forth in the preamble to these Conditions.

Regular Period has the meaning set forth in Condition 4.2.

Reinstatement has the meaning set forth in Condition 5.

Relevant Banking Regulator means the SGCB or its successor or any other relevant regulatory authority by which the Issuer is then supervised.

Relevant Date has the meaning set forth in Condition 8.

Representative has the meaning set forth in Condition 10.1.

Restricted Payment means an Equity Securities Payment or a Parity Securities Payment.

Return to Profitability has the meaning set forth in Condition 5.

SGCB means the *Secrétariat général de la Commission bancaire*.

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

Underlying Security has the meaning set forth in Condition 4.3.

Underlying Security Payment Percentage has the meaning set forth in Condition 4.3.

Unsubordinated Obligations means any obligations (including any bonds or notes) of the Issuer which constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and which rank in priority to the Ordinarily Subordinated Obligations.

2. **FORM, DENOMINATION AND TITLE**

The Notes will be issued in dematerialized bearer form (*au porteur*) in the denomination of USD 2,000 each. Title to the Notes will be evidenced in accordance with Article L.211-3 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* referred to in Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be entered in the books of Euroclear France S.A. (**Euroclear France**, located at 115, rue Réaumur, 75002 Paris, France), which shall credit the accounts of the Account Holders. For the purpose of these Conditions, **Account Holder** shall mean any authorized financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes the depositary banks for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**).

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

3. **STATUS OF THE NOTES AND SUBORDINATION**

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L. 228-97 of the French *Code de commerce*.

The proceeds of the issue of the Notes will be treated, for regulatory purposes, as *fonds propres de base* of the Issuer (**Tier 1 Capital**). *Fonds propres de base* shall have the meaning given to it in Article 2 of *Règlement n° 90-02* dated 23 February 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (the **CRBF Regulation**), or otherwise recognized as *fonds propres de base* by the SGCB. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated 27 October 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the **BIS Press Release**). The French language version of the BIS Press Release is attached as an exhibit to the report published annually by the SGCB entitled "*Modalités de calcul du ratio international de solvabilité*".

The principal and interest on the Notes (which constitute *obligations* under French law) constitute direct, unconditional, unsecured, undated and deeply subordinated obligations (*titres subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and with all other present and future Parity Securities, but shall be subordinated to the present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to holders of Equity Securities.

There is no restriction on the amount of debt that the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of

indebtedness of third parties, including indebtedness or guarantees that rank senior in priority of payment to the Notes.

4. INTEREST AND INTEREST SUSPENSION

4.1. General

The Notes bear interest on their Current Principal Amount at a fixed rate published on 22 December 2009 on the Issuer's website (invest.bnpparibas.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu) (the **Fixed Interest Rate**) from (and including) the Issue Date to (but excluding) the First Call Date, payable (subject to Condition 4.4) annually in arrear on a non-cumulative basis on 30 December of each year (each, a **Fixed Rate Interest Payment Date**), commencing on 30 December 2010. Thereafter, the Notes will bear interest on their Current Principal Amount at a floating rate equal to 3-month USD LIBOR plus a margin equal to 4.750 per cent. per annum (the **Floating Interest Rate**), as determined by the Calculation Agent in accordance with Condition 4.2 below and payable quarterly in arrear on a non-cumulative basis on 30 March, 30 June, 30 September and 30 December of each year (each, a **Floating Rate Interest Payment Date**), commencing on 30 March 2020. For the avoidance of doubt, the Floating Interest Rate is equivalent to the Fixed Interest Rate following conversion of the Fixed Interest Rate into a floating interest rate using the mid-market interest rate swap rate in USD as quoted at the time of pricing for a period equivalent to the Fixed Rate Interest Period plus one percent.

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

4.2. Fixed Interest Rate

4.2.1. The amount of interest (the **Fixed Rate Interest Amount**) payable (subject to Condition 4.4) on the Notes on each Fixed Rate Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Fixed Interest Rate, multiplied by the 30/360 day count fraction and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

4.2.2. If interest is required to be calculated in respect of a Fixed Rate Interest Period where the Current Principal Amount of the Notes is less than their Original Principal Amount for a portion thereof, it shall be calculated by the Calculation Agent by applying the Fixed Interest Rate to the Current Principal Amount of the Notes as determined from time to time within the Fixed Rate Interest Period, multiplying such product by the 30/360 day count fraction for each relevant portion of the Fixed Rate Interest Period, adding the results for all such portions and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

4.2.3. The Calculation Agent will cause such Fixed Rate Interest Amount to be notified to the Issuer, the Fiscal Agent and the Luxembourg Stock Exchange and will cause the publication thereof in accordance with Condition 11 as soon as possible after its determination but in no event later than the fourth day which is both a London Business Day and a New York Business Day thereafter.

For the purposes of this Condition:

30/360 day count fraction means, in respect of any period, the number of days in any portion of a Regular Period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months); and

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

4.3. Floating Rate

4.3.1. Determination of Floating Interest Rate

The Notes bear interest at the Floating Interest Rate from the First Call Date, payable (subject to Condition 4.4) on each Floating Rate Interest Payment Date.

The Floating Interest Rate for each Floating Rate Interest Period will be determined by the Calculation Agent on the following basis:

- (a) the Calculation Agent will determine the 3-month rate for deposits in U.S. dollars which appears on the display designated on Reuters Page LIBOR01 (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying comparable rates) as of 11:00 a.m. (London time), on the second London Business Day before the first day of the relevant Floating Rate Interest Period (the **Floating Rate Interest Determination Date**); or
- (b) if at the specified time such rate does not appear on that page, the Calculation Agent will:
 - (A) request the principal London office of each of four major banks in the London interbank market as selected by it (but which shall not include the Calculation Agent) to provide a quotation of the rate at which deposits in U.S. dollars are offered by it at approximately 11:00 a.m. (London time) on the Floating Rate Interest Determination Date to prime banks in the London interbank market for a 3-month period and in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations with the highest and the lowest (or in the event of equality, one of the highest and/or the lowest) of such quotations being disregarded for the purposes of the calculations or
- (c) if fewer than two such quotations are provided as requested by the Calculation Agent in accordance with the above paragraph, the Calculation Agent will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in London, selected by the Calculation Agent, at approximately 11:00 a.m. (London time) on the first day of the relevant Floating Rate Interest Period for loans in U.S. dollars to leading Euro-zone banks for a 3-month period commencing on the first day of such Floating Rate Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Floating Interest Rate for such Floating Rate Interest Period shall be equal to the sum of the applicable Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or

(as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Floating Rate Interest Period, the Floating Interest Rate applicable to the Notes during such Floating Rate Interest Period will be the Floating Interest Rate which applied to the immediately preceding Floating Rate Interest Period (or, if the relevant Floating Rate Interest Period is the first Floating Rate Interest Period, the sum of the last available 3-month rate for deposits in U.S. dollars which appeared on the display designated on Reuters Page LIBOR01 and the applicable Margin).

4.3.2. Calculation of Floating Rate Interest Amount by the Calculation Agent

The Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each Floating Rate Interest Determination Date in relation to each Floating Rate Interest Period, calculate the amount of interest (the **Floating Rate Interest Amount**) payable in respect of each Note for such Floating Rate Interest Period. The Floating Rate Interest Amount payable on the Notes on the relevant Floating Rate Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Floating Interest Rate for such Floating Rate Interest Period, multiplied by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

If interest is required to be calculated in respect of the Floating Rate Interest Period where the Current Principal Amount of the Notes is less than their Original Principal Amount for a portion thereof, it shall be calculated by the Calculation Agent by applying the Floating Interest Rate to the Current Principal Amount of the Notes as determined from time to time within the Floating Rate Interest Period, multiplying such product by the actual number of days divided by 360 for each relevant portion of the Floating Rate Interest Period, adding the results for all such portions and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

4.3.3. Publication of Floating Interest Rate and Floating Rate Interest Amount

The Calculation Agent will cause the Floating Interest Rate and the Floating Rate Interest Amount for each Floating Rate Interest Period and the relevant Floating Rate Interest Payment Date to be notified to the Issuer, the Fiscal Agent and the Luxembourg Stock Exchange and will cause the publication thereof in accordance with Condition 11 on or as soon as practicable after the first day of the relevant Floating Rate Interest Period. The Floating Rate Interest Amount so published may subsequently be amended (or appropriate arrangements made by way of adjustment). If the Notes become due and payable under Condition 6.2(b) or 6.3 (in case of a purchase of all the outstanding Notes) or under Condition 9, no publication of the Floating Interest Rate or the Floating Rate Interest Amount so calculated need be made.

4.4. Mandatory Interest and Optional Interest

4.4.1. Mandatory Interest Payment

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

In order to calculate the amount of interest required to be paid on the Notes on a Mandatory Interest Payment Date pursuant to this Condition 4.3.1 (the **Mandatory Interest Payment**):

- (i) if the Mandatory Interest Payment results from an event described in sub-paragraph (i) of the definition of Mandatory Interest Payment Date, it will be calculated on the basis of the Current Principal Amount of the Notes applying the Interest Rate for such Interest Period, as the case may be, and
- (ii) if the Mandatory Interest Payment results from an event described in sub-paragraph (ii) of the definition of Mandatory Interest Payment Date, it shall be equal to the Notional Interest Amount.

Notional Interest Amount means, in respect of any Note, the amount of interest which would have been payable, absent a non-payment of interest pursuant to Conditions 4.3.2 and 4.4 above, for the one-year period prior to, and including, such Interest Payment Date, calculated by the Issuer on the basis of the Current Principal Amount of such Note, multiplied by the Underlying Security Payment Percentage, as calculated by the Issuer prior to the relevant Interest Payment Date.

Underlying Security means the class of Parity Securities in respect of which the payments made represent the highest proportion of the payment which would have been payable during the one-year period prior to, and including, the relevant Interest Payment Date.

Underlying Security Payment Percentage means the ratio, calculated by the Issuer as a percentage, equal to (i) the payments effectively made on the Underlying Security during the one-year period prior to, and including, the relevant Interest Payment Date, divided by (ii) the maximum amount of the payments which would have been payable during such period on the Underlying Security.

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

4.4.2. Optional Interest Payment

For so long as the mandatory interest provisions do not apply, the Issuer may elect not to pay interest on any Optional Interest Payment Date, in particular with a view to restoring its regulatory capital in order to ensure the continuity of its activities without weakening its financial structure.

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

Notice of non-payment of all or any interest under the Notes on any Optional Interest Payment Date (an **Interest Non-Payment Notice**) shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, to the Luxembourg Stock Exchange. The Interest Non-Payment Notice shall be given no later than two London Business Days prior to the relevant Optional Interest Payment Date.

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

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

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

4.5. Optional Interest and Capital Deficiency Event

4.5.1. Interest Payable on Optional Interest Payment Dates Following the Occurrence of a Capital Deficiency Event

In the event that during any Interest Period, on or at any time prior to the fifth Business Day prior to an Optional Interest Payment Date, a Capital Deficiency Event has occurred or would occur upon payment of the interest due on the next Optional Interest Payment Date:

- (i) the accrual of interest, if any, in respect of the Notes shall automatically be suspended. In addition, the amount of Broken Interest may be reduced to absorb losses in accordance with Condition 5.1; and
- (ii) no interest on the Notes shall accrue nor be payable by the Issuer with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Capital Deficiency Event and ending on the date of the End of Capital Deficiency Event.

4.5.2. Interest Payable on Optional Interest Payment Dates after End of Capital Deficiency Event

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

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

5. LOSS ABSORPTION AND RETURN TO PROFITABILITY

5.1. Loss Absorption

In the event that, at any time, a Capital Deficiency Event has occurred, the board of directors of the Issuer will convene an extraordinary shareholders' meeting to be held during the three months following the occurrence of such event in order to propose a share capital increase or any other measure regarded as necessary or useful to remedy such event. If a share capital increase or any such other proposed measure is not adopted by the Issuer's extraordinary shareholders' meeting or if the share capital increase is not sufficiently subscribed to remedy such event in full, or if such event remains in effect at the end of the Quarter following the Quarter during which the Capital Deficiency Event has occurred, the board of directors of the Issuer will implement, within ten days, a reduction

of the amount of Broken Interest, if any, and thereafter for purposes of computing the Interest Amount a reduction of the Current Principal Amount of the Notes (a **Loss Absorption**). **Quarter** means one quarter of a calendar year, *i.e.*, 1st January to 31st March, 1st April to 30th June, 1st July to 30th September and 1st October to 31st December.

Notwithstanding any other provision, the Current Principal Amount of each Note shall never be reduced to an amount lower than one cent of one U.S. dollar (USD 0.01).

The amounts by which Broken Interest and, as the case may be, the Current Principal Amount of the Notes are reduced to enable the Issuer to absorb losses in order to ensure the continuity of its activities in accordance with the Applicable Banking Regulations, will be (in the case that a Capital Deficiency Event has occurred pursuant to clause (a) of the definition thereof) the lower of (i) the amount of the excess of (a) the total consolidated capital required by Applicable Banking Regulations over (b) the total consolidated capital of the Issuer after the share capital increase or any other measures adopted by the shareholders' meeting of the Issuer to remedy such Capital Deficiency Event (or the total consolidated capital of the Issuer in the absence of such measures) and (ii) the sum of the amounts of Broken Interest, if any, and the Current Principal Amount of the Notes before such reduction. In the case that a Capital Deficiency Event has occurred pursuant to clause (b) of the definition thereof, the amounts by which Broken Interest and, as the case may be, the Current Principal Amount of the Notes are reduced, will be determined by the Issuer with the consent of the Relevant Banking Regulator.

For the avoidance of doubt, the first remedy to the Capital Deficiency Event will be the share capital increase or the implementation of any other measures adopted by the extraordinary shareholders' meeting of the Issuer to remedy such Capital Deficiency Event. To the extent such increase of share capital or other measures are not sufficient, the Loss Absorption will be applied first against the amount of Broken Interest, if any, and thereafter, if necessary, against the Current Principal Amount of the Notes as herein described.

Broken Interest and the Current Principal Amount of the Notes may be reduced on one or more occasions, as required.

In the event that other Parity Securities which would be subject to such reductions are outstanding, such reductions will be applied on a pro-rata basis among the Notes and such other Parity Securities. Interest accrued and payable on any Mandatory Interest Payment Date is not subject to reduction.

Notice of any Capital Deficiency Event and of any End of Capital Deficiency Event shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given as soon as practicable following the occurrence of a Capital Deficiency Event and of any End of Capital Deficiency Event. Notice of any reduction of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given at least seven days prior to the relevant reduction of the Current Principal Amount.

For the avoidance of doubt, the occurrence of a Capital Deficiency Event and any resulting notice will be effective only with respect to the interest amount due on the immediately following Interest Payment Date. As appropriate, the Issuer will make a new determination and deliver other notice(s) with respect to any subsequent Interest Payment Date in relation to which a Capital Deficiency Event is continuing or occurs again.

5.2. Return to Profitability

If, following a Loss Absorption, the Issuer has recorded positive Consolidated Net Income for at least two consecutive fiscal years (a **Return to Profitability**) following the end of the most recent fiscal year in which there was a Loss Absorption (the **Absorption Year End**), the Issuer shall increase the Current Principal Amount of the Notes (a **Reinstatement**) on any date and in any amount that it determines (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount), to the extent any such Reinstatement complies with Applicable Banking Regulations.

Irrespective of whether a Return to Profitability has occurred, the Issuer shall increase the Current Principal Amount of the Notes in an amount equal to the Mandatory Reinstatement Amount on any date that it determines if (i) a Mandatory Reinstatement Event has occurred since the Absorption Year End, and (ii) the Issuer has not since such Mandatory Reinstatement Event occurred made a Reinstatement up to the Original Principal Amount pursuant to the provisions of the immediately preceding paragraph.

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

For the avoidance of doubt, any Reinstatement shall be made in a maximum amount that will ensure that such Reinstatement does not trigger the occurrence of a Capital Deficiency Event or, except with respect to any optional redemption by the Issuer of the Notes in accordance with their terms, a worsening of a Capital Deficiency Event.

No payments will be made to holders of Equity Securities, in each case to the extent categorized as Tier 1 Capital, before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

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

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

For the avoidance of doubt, any Broken Interest that has been reduced pursuant to Condition 5.1 shall not be reinstated pursuant to this Condition 5.2.

Notice of any Return to Profitability shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, the Luxembourg Stock Exchange. Such notice shall be given as soon as practicable following the occurrence of a Return to Profitability. Notice of any Reinstatement and any increase of the Current Principal Amount of the Notes shall be given to the Noteholders in accordance with Condition 11 and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so require, to the Luxembourg Stock Exchange. Such notice shall be given at least seven days prior to the relevant Reinstatement and increase of the Current Principal Amount of the Notes.

6. REDEMPTION AND PURCHASE

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

6.1. No Final Redemption

The Notes are undated securities in respect of which there is no fixed redemption or maturity date.

6.2. Issuer's Call Options Subject to the Approval of the Relevant Banking Regulator

(a) General Call Option

On the First Call Date and on any Interest Payment Date thereafter, the Issuer, subject to having given not less than 30, and not more than 60, days' prior notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to prior approval of the Relevant Banking Regulator, may, at its option, redeem the Notes in whole or in part at a price (the **Base Call Price**) equal to the Original Principal Amount of the Notes, together with any amounts outstanding thereon, including accrued interest.

In the case of a partial call, this shall be performed by way of an equal reduction of the Original Principal Amount of each of the Notes. For the avoidance of doubt, such reduction is distinct from a Loss Absorption. Following a partial call the Original Principal Amount of each Note shall be permanently reduced by the amount of principal called and paid for.

(b) Redemption for Regulatory Reasons or Taxation Reasons

- (i) If by reason of any change in French law, any change in Applicable Banking Regulations, or any change in the official application or interpretation of such laws or regulations, becoming effective on or after the Issue Date, the proceeds of the Notes cease to be eligible as Tier 1 Capital for the Issuer, the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last day before the date on which the proceeds of the Notes cease to meet the requirements to be eligible as Tier 1 Capital.
- (ii) If by reason of any change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), or any other change in the tax treatment of the Notes, becoming effective on or after the Issue Date, interest payment under the Notes is no longer tax-deductible by the Issuer for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes, the Issuer may, at its option, at any time, subject to having given not more than 45 nor less than 30 days' notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for French corporate income tax (*impôts sur les bénéfices des sociétés*) purposes.
- (iii) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), becoming effective on or

after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8.2, the Issuer may, at any time, subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

- (iv) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8.2, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 11, and subject to the prior approval of the Relevant Banking Regulator, redeem the Notes (in whole but not in part) at the Base Call Price provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

6.3. Purchases

The Issuer may at any time purchase Notes in the open market or otherwise at any price provided that it has obtained the prior approval of the Relevant Banking Regulator.

6.4. Cancellation

All Notes which are purchased or redeemed by the Issuer pursuant to Conditions 6.2 or 6.3 (other than in the event of a partial call, as set out in Condition 6.2(a)) will be cancelled and accordingly may not be reissued or sold.

7. PAYMENTS AND CALCULATIONS

7.1. Method of Payment

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

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

7.2. U.S. Paying Agents

Notwithstanding the foregoing, payments will be made at the specified office in the United States of any Paying Agent and (if no such appointment is then in effect) the Issuer shall appoint and maintain a Paying Agent with a specified office in New York City at which payments will be made if (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that the Paying Agents would be able to make payment at the specified offices outside the United States of the full amount payable with respect to the Notes in the manner provided above when due, (ii) payment of the full amount due in U.S. dollars at all specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) the payment is then permitted under United States law

7.3. Payments on Business Days

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

For the purposes of this Condition, **Business Day** means any day, not being a Saturday or a Sunday on which Euroclear France, Euroclear and Clearstream, Luxembourg are operating and which is both a London Business Day and a New York Business Day.

7.4. Fiscal Agent, Paying Agents and Calculation Agent

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

FISCAL AGENT AND PRINCIPAL PAYING AGENT
BNP Paribas Securities Services
9, rue Débarcadère
93500 Pantin
France

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

7.5. Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of these Conditions whether by the Calculation Agent or the relevant banks in the London interbank market (or any of them) shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Calculation Agent,

the Paying Agents, the Fiscal Agent, the relevant banks in the London interbank market and the Noteholders. No Noteholder shall (in the absence of the aforesaid wilful default or manifest error) be entitled to proceed against the Calculation Agent or any of the foregoing entities in connection with the exercise or non-exercise by them of their powers, duties and discretionary judgments.

8. TAXATION

8.1. Withholding Tax Exemption

Payments of interest and other revenues made by the Issuer in respect of the Notes to non-French tax residents who do not invest from a permanent establishment or a fixed base situated in France and who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in the *Instruction* of the *Direction Générale des Impôts* 5 I-11-98 dated 30 September 1998 and in the *Rescrits* of the *Direction Générale des Impôts* 2007/59 (FP) dated 8 January 2008 and 2009/23 (FP) dated 7 April 2009) from the exemption provided for in Article 131 *quater* of the French *Code général des impôts* (General Tax Code) from deduction of tax at source. Accordingly, such payments do not give the right to any tax credit from any French source.

8.2. Additional Amounts

If French law or regulations should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the French Republic or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary so that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a Noteholder (or beneficial owner (*ayant droit*)):

- (a) who is subject to such taxes, duties, assessments or other governmental charges in respect of such Note by reason of his having some present or former connection with the French Republic other than the mere holding of such Note; or
- (b) more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to such additional amounts on the last day of such period of 30 days; or
- (c) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

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

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

9. MANDATORY REDEMPTION

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

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

No payments will be made to holders of Equity Securities before all amounts due, but unpaid, to all Noteholders have been paid by the Issuer, as ascertained by the judicial liquidator.

10. REPRESENTATION OF THE NOTEHOLDERS

Noteholders will form a *masse* under French law in defense of their common interests (hereinafter referred to as the "*Masse*").

The *Masse* will be governed by the provisions of the French Code de commerce (with the exception of the provisions of Articles L. 228-48, L. 228-59, L.228-65-II, L.228-71, R.228-63, R.228-67, R.228-69 and R.228-72 thereof), subject to the provisions below.

10.1. A Legal Entity

The *Masse* will be treated as a separate legal entity and will act in part through its representative (hereinafter referred to as the **Representative**) and in part through general assemblies of Noteholders.

The *Masse*, acting alone and to the exclusion of all individual Noteholders, will exercise the collective rights of the Noteholders with respect to the Notes, both present and future.

10.2. Representative

A person of any nationality may serve as the Representative of the *Masse*. However, the following persons may not be designated a Representative:

- (a) the Issuer, the members of the Issuer's board of directors (*conseil d'administration*), the Issuer's executive officers (*directeurs généraux*), the Issuer's statutory auditors or the Issuer's employees, as well as the ascendants, descendants or spouses of any such persons; or
- (b) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), executive officers (*directeurs généraux*), members of their board of directors, executive board or supervisory board, their statutory auditors or their employees, as well as the ascendants, descendants or spouses of any such persons; or
- (c) companies holding 10 per cent. or more of the share capital of the Issuer, or companies in which the Issuer holds 10 per cent. or more of the share capital; or

- (d) persons who are restricted from the practice of banking or who have been deprived of the right to direct, administer or manage a company in any capacity whatsoever.

The initial Representative of the *Masse* has been designated as:

Antoine Lachenaud
10, rue de Sèze
75009 Paris
France

The alternate representative (the **Alternate Representative**) has been designated as:

Arnaud Métayer
6-8, avenue de Messine
75008 Paris
France

In the event of the death, incapacity, resignation or revocation of the powers of the Representative, he or she will be replaced by the Alternate Representative, and all references to the "Representative" herein will be deemed to refer to the "Alternate Representative". The Alternate Representative will then have the same powers as the Representative.

In the event of the death, incapacity, resignation or revocation of the powers of the Alternate Representative, he or she will be replaced by a person selected at a general assembly of Noteholders.

The Issuer shall pay to the Representative an amount of EUR 3,000 in connection with his services, payable on the Issue Date. The Alternate Representative will be entitled to payment of EUR 300 per year only if it begins to exercise the duties of Representative on a permanent basis; such compensation will begin to accrue on the date that the Alternate Representative assumes these duties.

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

10.3. Powers of the Representative

The Representative shall, in the absence of any decision by the general assembly of Noteholders that provides otherwise, have the power to take undertake all actions that aim at defending the common interests of the Noteholders. All legal proceedings initiated against the Noteholders must be initiated against the Representative, and all legal proceedings initiated by the Noteholders must be initiated by the Representative.

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

10.4. General Assemblies of Noteholders

General assemblies of Noteholders may be held at any time, at the request of either the Issuer or the Representative. One or more Noteholders, who individually or collectively hold at least one-thirtieth of the outstanding Notes, may demand that the Issuer and the Representative convene a general assembly. If a general assembly has not been convened within two months of the date of this demand, these Noteholders may designate one person among them to petition a court within the jurisdiction of the Paris Court of Appeals to appoint an agent (*mandataire*) on the Noteholders' behalf, who will then be responsible for convening a general assembly.

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

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

10.5. Powers of General Assemblies

A general assembly is empowered to deliberate on the reduction of compensation for the Representative or the Alternate Representative, and may also decide to remove or replace the Representative or the Alternate Representative. A general assembly may also act on any other matter that affects the collective rights of the Noteholders with respect to the Notes, both present and future, including authorizing the Representative to act as plaintiff or defendant in any action.

A general assembly may further deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes, including any proposal in connection with arbitration or settlement proceedings relating to disputed rights or rights that were the subject of judicial decisions; *provided, however*, that a general assembly may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares, and provided further that no amendment to the status of the Notes may be approved without the prior consent of the Relevant Banking Regulator.

A general assembly may validly deliberate on the first date on which it is convened only if the Noteholders present or otherwise represented at such assembly hold at least one-quarter of the Notes then outstanding. On the second date on which a general assembly is convened, if any, no such quorum shall be required. Decisions at assemblies shall be taken based on a simple majority of votes cast, either by Noteholders attending the assembly in person or who are otherwise represented at such assembly for voting purposes.

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

10.6. Information to the Noteholders

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

10.7. Expenses

The Issuer will pay all expenses incurred in connection with the functioning of the *Masse*, including the expenses of calling and holding general assemblies and the Representative's compensation, and more generally will pay all administrative costs of the *Masse* as documented at a general assembly of Noteholders, it being expressly stipulated that no expenses may be offset against interest payable on the Notes.

11. NOTICES

Any notice to the Noteholders will be valid if delivered to the Noteholders through Euroclear France, Euroclear or Clearstream, Luxembourg, for so long as the Notes are cleared through such clearing systems. So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of such exchange so require, any notice shall also be published (i) in a leading daily

newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*), or (ii) on the website of the Luxembourg Stock Exchange (www.bourse.lu). If any such publication is not practicable, notice shall be validly given if published in a leading English language daily newspaper having 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 first date on which such publication is made.

12. PRESCRIPTION

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

13. FURTHER ISSUES

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

14. GOVERNING LAW AND JURISDICTION

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

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

PART C
FORM OF NOTICE OF MEETING AND EXTRAORDINARY RESOLUTION

NOTICE TO HOLDERS

**THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF
NOTEHOLDERS. IF NOTEHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY
SHOULD TAKE, THEY SHOULD CONSULT THEIR OWN INDEPENDENT
PROFESSIONAL ADVISERS AUTHORISED UNDER THE FINANCIAL SERVICES AND
MARKETS ACT 2000 IMMEDIATELY.**



BNP PARIBAS

**BNP Paribas
(formerly Banque Paribas)
(the Issuer)**

(a limited liability company incorporated in the Republic of France as a *société anonyme*
registered with the Registre du Commerce et des Sociétés in Paris under number 662 042 449
having its registered office at 16, boulevard des Italiens - 75009 Paris, France)

NOTICE OF A MEETING OF THE HOLDERS OF

[US\$200,000,000 UNDATED FLOATING RATE SECURITIES (ISIN LU0002906534)]

[US\$400,000,000 UNDATED SUBORDINATED FLOATING RATE SECURITIES (ISIN
GB0040811647)]

of the Issuer presently outstanding
(the **Noteholders** and the **Notes** respectively).

NOTICE IS HEREBY GIVEN that a Meeting of the Noteholders convened by the Issuer will be held at the offices of BNP Paribas at 37, place du Marché Saint-Honoré, 75001 Paris, France on Wednesday 9 December 2009, at [15h00 /16h00] (Paris time) for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the trust deed dated [10 September 1984] [11 July 1986] (the **Trust Deed**) made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the **Trustee**) as trustee for the Noteholders and constituting the Notes.

EXTRAORDINARY RESOLUTION

"THAT this Meeting of the holders of the [US\$200,000,000 Undated Floating Rate Securities] [US\$400,000,000 Undated Subordinated Floating Rate Securities] of Banque Paribas (now BNP Paribas) presently outstanding (the **Existing Notes** and the **Issuer** respectively) constituted by the trust deed dated [10 September 1984] [11 July 1986] (the **Trust Deed**) made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the **Trustee**) as trustee for the holders of the Notes (the **Noteholders**) hereby:

1. approves the proposal set out herein (the **Proposal**) to exchange, as contemplated by paragraph 20(ii) of Schedule 3 to the Trust Deed, on the Interest Payment Date (as defined in the terms and conditions of the Existing Notes) falling in December 2009 (being 30 December 2009), Existing Notes held by each Noteholder for a principal amount of US\$Undated Deeply Subordinated Floating Notes of BNP Paribas (the **New Notes**) on the terms described in paragraphs (a) and (b) below by

BNP Paribas issuing on the Settlement Date (also being 30 December 2009) to each such Noteholder:

- a) a principal amount of New Notes (rounded down to the nearest US\$2,000) equal to the aggregate principal amount of such Existing Notes multiplied by the Exchange Price for such Series of Existing Notes. The terms and conditions of the New Notes, including the Exchange Price for such Series of Existing Notes, are set out in an Exchange and Tender Offer Memorandum dated on or about 17 November 2009 (the **Memorandum**) which is available on request from the registered office of the Issuer; and
- b) a fractional portion in principal amount of New Notes which the Noteholder would have been entitled to receive as a result of applying the relevant Exchange Price which is not an integral multiple of US\$2,000, such amount to be calculated in the manner set out in the Memorandum.

All references to an **Existing Note** shall be to a principal amount of US\$1,000 of the Existing Notes.

2. sanctions every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Issuer whether or not such rights arise under the Trust Deed, involved in or resulting from or to be effected by, the Proposal and its implementation;
3. authorises, directs, requests and empowers the Trustee to concur in the Proposal and, in order to give effect thereto and to implement the same, to execute and do, all such other deeds, instruments, acts and things as may be necessary or appropriate to carry out and give effect to this Resolution; and
4. discharges and exonerates the Trustee from any liability in respect of any act or omission for which it may be or become responsible under the Trust Deed, the Notes or the Coupons in connection with the Proposal, its implementation or this Extraordinary Resolution or in connection with any step or action taken or omitted to be taken by the Trustee under or pursuant to or in connection with this Extraordinary Resolution."

The terms of the New Notes are more fully set forth in the Memorandum published on or about 17 November 2009. When considering the Proposal, Noteholders should have regard to the Memorandum. In particular, Noteholders should have regard to (a) the section entitled "Risk Factors relating to the New Notes" and (b) the terms and conditions of the New Notes, in each case as set out in the Memorandum. Terms used but not otherwise defined herein shall have the meanings attributed to such terms in the Memorandum.

The attention of Noteholders is particularly drawn to the quorum required for the Meeting and for an adjourned Meeting. The quorum required at the Meeting is two or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate a clear majority in principal amount of the Notes for the time being outstanding. If the Meeting is adjourned for want of a quorum, the quorum at such an adjourned Meeting will be two or more persons present in person holding Notes or voting certificates or being proxies whatever the principal amount of the Notes so held or represented. Further details are set out in paragraph 2 of **Voting and Quorum** below.

Copies of a draft of the agency agreement relating to the New Notes (including the terms and conditions relating thereto) and of certain other relevant documents will be available for inspection by Noteholders at the specified offices of the Paying Agents set out below.

In accordance with normal practice, the Trustee expresses no opinion as to the merits of the Proposal (which it was not involved in negotiating). It has, however, authorised it to be stated that, on the basis of the information set out in this Notice, it has no objection to the Extraordinary Resolution referred to above being submitted to the Noteholders for their consideration. The Trustee has, however, not been involved in

formulating the Proposal and makes no representation that all relevant information has been disclosed to Noteholders in this Notice. Accordingly, the Trustee urges Noteholders who are in any doubt as to the impact of the implementation of the Proposal to seek their own independent financial advice.

VOTING AND QUORUM

1. The provisions governing the convening and holding of a Meeting are set out in the Third Schedule to the Trust Deed relating to the Existing Notes, a copy of which is available for inspection by the Noteholders during normal business hours at the specified office of the Paying Agent(s) and the Registrar set out below.

For the purposes of the Meeting, a **Noteholder** shall mean (i) in the case of Bearer Notes held through Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) and/or Euroclear Bank S.A./N.V. (**Euroclear**), each person who is for the time being shown in the records of Clearstream, Luxembourg and/or Euroclear as the holder of a particular principal amount of the Notes, (ii) in the case of any other Bearer Notes, each person who is for the time being the bearer of one or more Notes and (iii) in the case of Registered Notes, each person whose name appears on the Register as at 7 December 2009.

A holder of a Bearer Note wishing to attend the Meeting in person must produce at the Meeting either his Note(s) or a valid voting certificate issued by a Paying Agent relating to the Note(s) in respect of which he wishes to vote. A holder of Registered Notes wishing to attend and vote in person at the Meeting relating to his Notes may do so only if he produces at such Meeting the Certificate(s) of which he is the holder.

A holder of a Bearer Note not wishing to attend and vote at the Meeting in person may either deliver, or procure delivery of, his Note(s) or valid voting certificate(s) to the person whom he wishes to attend on his behalf or give a voting instruction (either on a voting instruction form obtainable from the specified offices of any of the Paying Agents set out below or, where his Note(s) is/are held through Clearstream, Luxembourg and/or Euroclear, by giving his voting instructions to Clearstream, Luxembourg and/or Euroclear) instructing a Paying Agent to appoint a proxy to attend and vote at the Meeting in accordance with his instructions.

A holder of a Bearer Note who wishes to obtain a voting certificate or give voting instructions in respect of his Note(s) must first either (a) arrange for his Note(s) to be deposited and held at the specified office of any of the Paying Agents or (b) where his Note(s) is/are held through Clearstream, Luxembourg and/or Euroclear, request the relevant clearing system to block the Notes in his own account and to hold the same to the order or under the control of a Paying Agent not later than 48 hours before the time appointed for holding the Meeting.

Notes so deposited and held or so blocked will not be released until the earlier of:

- (a) the conclusion of the Meeting (or, if applicable, any adjournment of such Meeting); and
- (b)
 - (i) in respect of (a) voting certificate(s), the surrender to a Paying Agent of such voting certificate(s) and (if applicable) the notification by the relevant Paying Agent to the relevant clearing system of such surrender or the compliance in such other manner with the rules of the relevant clearing system; or
 - (ii) in respect of voting instructions, not less than 72 hours before the time for which the Meeting (or, if applicable, any adjournment of such Meeting) is convened, either (I) in the case of deposited Notes, the surrender to the relevant Paying Agent of the voting receipt issued in respect of such deposited Notes or (II) in the case of blocked Notes, the notification in writing of any revocation of a Noteholder's previous

instructions to the Paying Agent and the same then being notified in writing by the Paying Agent to the Issuer at least 48 hours before the time appointed for holding the Meeting and (if applicable) such Notes ceasing in accordance with the procedures of the relevant clearing system and with the agreement of such Paying Agent to be held to its order or under its control.

A holder of Registered Notes wishing to attend and vote at the Meeting relating to his Notes may do so only if he produces at such Meeting the Certificate(s) of which he is the holder.

A holder of Registered Notes not wishing to attend and vote in person at the Meeting relating to his Notes may, by an instrument in writing in the English language signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, and delivered to the specified office of the Registrar or Transfer Agent not less than 24 hours before the time fixed for the relevant Meeting, appoint the person as a proxy to act on his or its behalf in connection with the relevant Meeting and any adjournment to such Meeting. Forms of proxy will be available from the Registrar and the Transfer Agent.

A holder of Registered Notes who holds Notes through a nominee should instruct that nominee either to vote in person or to appoint a proxy on his or its behalf.

Any holder of Registered Notes which is a corporation may by a resolution of its directors or other governing body authorise any person to act as its representative in connection with the relevant Meeting and any adjournment to such Meeting.

In the case of joint holders of Registered Notes, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand on the Register in respect of the joint holding.

2. The quorum required at the Meeting is two or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate a clear majority in principal amount of the Notes for the time being outstanding. If a quorum is not present within half an hour from the time appointed for any such Meeting, the Meeting will be adjourned and the Extraordinary Resolution will be considered at an adjourned Meeting (notice of which will be given to the Noteholders). The quorum at such an adjourned Meeting will be two or more persons present in person holding Notes or voting certificates or being proxies whatever the principal amount of the Notes so held or represented.

Noteholders should note this quorum requirement and should be aware that if the Noteholders either present or appropriately represented at the Meeting are insufficient to form a quorum the Extraordinary Resolution, and consequently the Proposal, cannot be formally considered thereat. Noteholders are therefore encouraged either to attend the Meeting in person or to arrange to be represented at the Meeting as soon as possible.

3. Every question submitted to the Meeting will be decided on a show of hands unless a poll is duly demanded by the Chairman of the Meeting or by the Issuer or by one or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than one-fiftieth part of the principal amount of the Notes then outstanding. On a show of hands every person who is present in person and produces a Note or voting certificate or holds Registered Notes or is a proxy shall have one vote. On a poll every person who is so present shall have one vote in respect of each US\$1,000 in principal amount of the Notes so produced or represented by the voting certificate so produced or Registered Notes so held or in respect of which he is a proxy.

4. To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the votes cast. If passed, the Extraordinary Resolution will be binding upon all the Noteholders, whether or not present at such Meeting and whether or not voting.

PRINCIPAL PAYING AGENT, REGISTRAR AND TRANSFER AGENT

BGL BNP Paribas
50, avenue JF Kennedy
L-2951 Luxembourg
Tel: +352 4242 4513

PAYING AGENTS

BNP Paribas Securities Services, Paris Branch
(formerly Banque Paribas)
9, rue Débarcadère
93500 Pantin
France

BNP Paribas Securities Services, London Branch
(formerly Banque Paribas)
55 Moorgate
London EC2R 6RA
United Kingdom

Citibank, N.A., Brussels
(formerly Morgan Guaranty Trust Company
of New York, Brussels Office)
Building 726
1931 Brucargo
Brussels
Belgium

UBS AG
(formerly Swiss Bank Corporation)
Aeschenvorstadt 1
CH-4002 Basel
Switzerland

This Notice is given by:
BNP Paribas
16, boulevard des Italiens
75009 Paris
France

Dated 17 November 2009.

PART D
FORM OF DEFINITIVE NOTES INSTRUCTION



BNP PARIBAS

(INCORPORATED AS A *SOCIÉTÉ ANONYME* IN FRANCE)

EXCHANGE AND TENDER OFFER MEMORANDUM DATED 17 NOVEMBER 2009
OFFER COMBINING AN EXCHANGE OFFER AND A TENDER OFFER

INVITATION BY BNP PARIBAS
TO HOLDERS OF

US\$200,000,000 Undated Subordinated Floating Rate Securities issued by Banque Paribas (now, BNP Paribas)
of which US\$23,715,000 are currently outstanding (ISIN: LU0002906534)
(the **Series 1 Existing Notes**)

and

US\$400,000,000 Undated Subordinated Floating Rate Securities issued by Banque Paribas (now, BNP Paribas)
of which US\$165,285,000 are currently outstanding (ISIN: GB0040811647)
(the **Series 2 Existing Notes**)

and

US\$500,000,000 Undated Subordinated Floating Rate Notes issued
by Banque Nationale de Paris (now, BNP Paribas) (ISIN: FR0008131403)
(the **Series 3 Existing Notes** and, together with the Series 1 Existing Notes
and the Series 2 Existing Notes, the **Existing Notes**)

TO OFFER TO EXCHANGE (the **Exchange Offer**)

any and all of such Existing Notes for

US\$ Undated Deeply Subordinated Floating Rate Notes to be issued by BNP Paribas
(the **Series 1 New Notes**)

or

US\$ Undated Deeply Subordinated Fixed to Floating Rate Notes to be issued by BNP Paribas
(the **Series 2 New Notes** and, together with the Series 1 New Notes, the **New Notes**)

OR

TO SELL (the **Tender Offer** and together with the Exchange Offer, the **Offers**)

ANY OR ALL OF SUCH EXISTING NOTES IN EXCHANGE FOR A CASH PAYMENT

The Exchange and Tender Offer Memorandum dated 17 November 2009 (the Exchange and Tender Offer Memorandum) prepared by BNP Paribas in connection with the Offers contains important information which should be read carefully before any decision is made with respect to the Offers. If any holder of Existing Notes is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to offer Existing Notes for exchange or sale pursuant to the Exchange Offer or the Tender Offer (as the case may be). None of BNP Paribas (in its capacity as issuer (the Issuer) and as arranger and structuring adviser (the Arranger)), Lucid Issuer Services Limited (the Principal Exchange and Tender Agent) and BGL BNP Paribas (the

Luxembourg Exchange and Tender Agent, **together with the Principal Exchange and Tender Agent, the Exchange and Tender Agents), BNP Paribas Securities Services (the Fiscal and Principal Paying Agent), or any other group company of BNP Paribas makes any recommendation as to whether holders of Existing Notes should offer Existing Notes for exchange.**

This Definitive Notes Instruction does not constitute an invitation to participate in the Offers in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. Each of the Offers is subject to offer and distribution restrictions in, amongst other countries, the United States of America, the United Kingdom, Belgium, France and Italy. The distribution of this Definitive Notes Instruction in those jurisdictions is restricted by the laws of such jurisdictions. No action has been or will be taken in any jurisdiction in relation to the Offers that would permit a public offering of securities other than in Luxembourg. See the section of the Tender and Exchange Offer Memorandum entitled "Offer Restrictions".

FURTHER INFORMATION REGARDING THIS DEFINITIVE NOTES INSTRUCTION

- (A) You should read the Tender and Exchange Offer Memorandum, including all information incorporated by reference and, in particular, the risk factors described in the section of the Exchange and Tender Offer Memorandum entitled "*Risk Factors*", before completing this Definitive Notes Instruction. Words and expressions defined in the Tender and Exchange Offer Memorandum have the same meanings when used in this Definitive Notes Instruction.
- (B) If you need assistance in completing this Definitive Notes Instruction please contact the Luxembourg Exchange and Tender Agent, the contact details for which are set out below.
- (C) Holders of Definitive Existing Notes wishing to participate in the Exchange and/or Tender Offer must complete and deliver, or arrange to have delivered on their behalf to the Luxembourg Exchange and Tender Agent on their behalf, a valid Definitive Notes Instruction by 4.00 p.m. (London time) (the **Expiration Time**) on 17 December 2009 (the **Expiration Date**) in order for the Existing Notes which are the subject of that Definitive Notes Instruction to be eligible for exchange at the Exchange Price and/or eligible for purchase at the Tender Price (as the case may be). The Offers will expire at the Expiration Time on the Expiration Date, unless extended, re-opened, amended or terminated as provided in the Tender and Exchange Offer Memorandum.

Holders are advised to check with any bank, securities broker or other intermediary through which they hold Existing Notes whether such intermediary needs to receive instructions from a Holder before the deadlines specified in this Definitive Notes Instruction in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange and/or Tender Offer.

- (D) To participate in the Exchange Offer you must deliver or procure delivery of a principal amount of Existing Notes sufficient to allow the receipt by you of a minimum principal amount of US\$80,000 of New Notes or your Existing Notes will not be accepted for exchange. To participate in the Tender Offer, there is no minimum amount for Existing Notes presented in the Tender Offer.
- (E) To participate in the Exchange Offer and/or the Tender Offer, you must complete Part A of this Definitive Notes Instruction and return it to the Luxembourg Exchange and Tender Agent, together with the relevant certificate(s) or bearer definitive Existing Notes, as appropriate, in respect of the Existing Notes which are the subject of this Definitive Notes Instruction, no later than the Expiration Date. If some or all of your certificate(s) or bearer definitive Existing Notes, as appropriate, have been lost or destroyed, you must:
 - (a) notify the Luxembourg Exchange and Tender Agent by telephone as soon as possible, and in any event no later than 3.00 p.m. (London time) on the day prior to the Expiration Date; and

- (b) complete Part B of this Definitive Notes Instruction and return it to the Luxembourg Exchange and Tender Agent by not later than the Expiration Date.

Do not send certificate(s) or bearer definitive Existing Notes, as appropriate, or Definitive Notes Instructions to the Fiscal and Principal Paying Agent, the Principal Exchange and Tender Agent, the Arranger, the Issuer or any other group company of BNP Paribas (other than the Luxembourg Exchange and Tender Agent).

- (F) If the Exchange and/or Tender Offer is terminated, the Existing Notes which are the subject of a Definitive Notes Instruction are not accepted for exchange by the Issuer or a Definitive Notes Instruction is validly revoked, any relevant certificate(s) or bearer definitive Existing Notes, as appropriate, deposited with the Luxembourg Exchange and Tender Agent shall be returned by it as soon as reasonably practicable after the date of such termination, non-acceptance or revocation, in the case of registered certificates, to the address of the Holder of the Existing Notes which are the subject of the Definitive Notes Instruction as appearing in the register in accordance with the registrar's usual practices. In the case of bearer Definitive Existing Notes such definitive Existing Notes shall be held by the Luxembourg Exchange and Tender Agent to the order of the trustee for the Existing Notes on behalf of the relevant Holders and made available for collection at the address of the Luxembourg Exchange and Tender Agent.
- (G) Delivery of this Definitive Notes Instruction in accordance with the terms hereof shall constitute (i) approval of the Proposal (as defined in Part C of "Terms and Conditions of the New Notes and Forms" in the Tender and Exchange Offer Memorandum), (ii) a vote in favour of it and (iii) instruction to the Fiscal and Principal Paying Agent to (a) appoint Mr. Antoine Lachenaud, and in his absence, Mr. Arnaud Métayer, as representative of the Holder delivering such Definitive Notes Instruction at the relevant meeting of Holders (the **Representative**) and (b) instruct the Representative to vote in favour of the Proposal.
- (H) Definitive Notes Instructions and accompanying documents and instruments received after the Expiration Date may be rejected.
- (I) All questions as to validity, form and eligibility (including time of receipt) and valid revocation of any Definitive Notes Instruction will be determined by the Issuer in its sole discretion, which determination shall be final and binding.

LUXEMBOURG EXCHANGE AND TENDER AGENT

BGL BNP Paribas

50, avenue J.F. Kennedy

L-2951 Luxembourg

Telephone: +352 42 42 4513

Fax: +352 42 42 8221

Attention: Physical Coupons – Paying Agency

Email: romain.muller@bgl.lu

PART A: PARTICIPATION IN THE EXCHANGE OFFER AND/OR TENDER OFFER

1. This Definitive Notes Instruction relates to US\$¹ in principal amount of the [Series 1 (ISIN: LU0002906534) / Series 2 (ISIN: GB0040811647) / Series 3 (ISIN: FR0008131403)] [*delete as appropriate*] Existing Notes.

2. EITHER

(a) I/We,, of are the [registered holder(s)/bearer(s)] [*delete as appropriate*] of the principal amount of Existing Notes specified above and represent and warrant that I/we are entitled to, and are the absolute sole legal and beneficial owner(s) of, such Existing Notes together with all rights attached to such Existing Notes and I/we offer for [exchange in the Exchange Offer / sale in the Tender Offer] [*delete as appropriate*] such principal amount of Existing Notes specified above.

OR²

(b) We,, of (i) are the [registered holder/bearer(s)] [*delete as appropriate*] of the principal amount of Existing Notes specified above in our capacity as nominee and represent and warrant that we are acting on behalf of relevant beneficial owners of the specified Series of Existing Notes and (ii) have been duly authorised to offer for [exchange in the Exchange Offer / sale in the Tender Offer] [*delete as appropriate*] such principal amount of Existing Notes specified above.

3. EITHER

(a) I/We enclose the original certificate(s) or bearer Definitive Existing Notes, as appropriate, relating to such principal amount of the specified Series of Existing Notes.

OR

¹ Insert total principal amount of the holding you wish to offer for exchange in the Exchange and/or Tender Offer pursuant to this Definitive Notes Instruction, which must, in the case of exchange, be a sufficient amount of Existing Notes in order for you to be eligible to receive a total principal amount of New Notes of at least US\$80,000.

² To be completed by nominee holders only.

- (b) The original certificate(s) or bearer definitive Existing Notes, as appropriate, relating to some or all of such principal amount of the specified Series of Existing Notes has/have been lost or destroyed and I/we have:
- (i) notified [the Fiscal and Principal Paying Agent / the Luxembourg Exchange and Tender Agent] *[delete as appropriate]* Agent by telephone; and
 - (ii) completed Part B of this Definitive Notes Instruction.

Where the lost or destroyed certificate(s) or bearer definitive Existing Notes, as appropriate, relate to some only of such principal amount of the specified Series of Existing Notes, I/we enclose the original certificate(s) or bearer definitive Existing Notes, as appropriate, relating to the balance of the principal amount of the specified Existing Notes.

4. EITHER

- (a) Please credit the [Series 1/ Series 2] *[delete as appropriate]* New Notes, the Accrued Interest Payment and any Cash Rounding Amount (if applicable) to be delivered and paid to me/us pursuant to the Exchange Offer or the Tender Amount and Accrued Interest pursuant to the Tender Offer to the following Clearing System securities and cash account³:

Name of Account Holder:	Account number, specifying if at Euroclear, Clearstream, Luxembourg or Euroclear France <i>[delete as appropriate]</i> :
-------------------------	--

.....

In case New Notes are to be delivered to Euroclear France please credit the Accrued Interest Payment and any Cash Rounding Amount (if applicable) to:

Bank Name (where account is held):

SWIFT Code:

ABA No (or IBAN, as applicable):

Account No.:

Beneficiary Name:

Holders who are not direct participants in Euroclear, Clearstream, Luxembourg or Euroclear France should contact their broker, financial adviser, dealer, bank, custodian, trust company or other nominee to arrange access to an account at either Euroclear, Clearstream, Luxembourg or Euroclear France in order that they may complete this section and take delivery of New Notes.

OR

³ In the case of an offer for exchange, in order to receive the New Notes a valid securities account number in Euroclear, Clearstream, Luxembourg or Euroclear France must be provided. If a holder of the Series [1/2/3] Existing Notes does not have such an account it should contact the Arranger and Structuring Adviser as soon as possible if it wishes to be able to participate in the Exchange Offer.

- (b) Please credit the Tender Amount and Accrued Interest pursuant to the Tender Offer to the following cash account held by the Holder:

Bank Name (where account is held):

SWIFT Code:

ABA No (or IBAN, as applicable):

Account No.:

Beneficiary Name:

5. I/We have received, reviewed and accept the terms of the Exchange and Tender Offer Memorandum.
6. I/We acknowledge that I/we have reviewed and accept the offer and distribution restrictions, terms, conditions, risk factors, New Note Conditions and other considerations of the Exchange Offer and Tender Offer, all as described in the Exchange and Tender Offer Memorandum (including all of the documents incorporated by reference into the Exchange and Tender Offer Memorandum).
7. I am/We are assuming all the risks inherent in participating in the relevant Offer and have undertaken an appropriate analysis of the implications of the Offers without reliance on the Issuer, the Arranger or the Exchange and Tender Agents.
8. By tendering my/our Existing Notes to the Luxembourg Exchange and Tender Agent, I/we consent to such Exchange and Tender Agent providing details concerning my/our identity to the Issuer and the Arranger and their respective legal advisers.
9. Upon the terms and subject to the conditions of the Offers, I/we hereby offer to (i) exchange the principal amount of the specified Series of Existing Notes specified in paragraph 1 above and held by the Luxembourg Exchange and Tender Agent on my/our behalf, for the relevant number of New Notes of the relevant series and/or (ii) sell the principal amount of the specified Series of Existing Notes specified in paragraph 1 above and held by the Luxembourg Exchange and Tender Agent on my/our behalf for the relevant Tender Amount.
10. If the Existing Notes which are the subject of this Definitive Notes Instruction are accepted for exchange, I/we acknowledge that (i) the Accrued Interest Payment and Cash Rounding Amount, if any, will be paid in U.S. Dollars, (ii) such amount will be deposited by or on behalf of the Issuer with the Clearing Systems on the Settlement Date and (iii) the Clearing Systems thereafter will make payments to the relevant accounts in the Clearing Systems of the relevant Holders or Direct Participants for the benefit of the relevant Holders.
11. If the Existing Notes which are the subject of this Definitive Notes Instruction are accepted for purchase under the Tender Offer, I/we acknowledge that the Tender Amount and Accrued Interest, if any, will be paid in U.S. Dollars, and such amount will be deposited by or on behalf of the Issuer in the cash account specified under paragraph 4(b) above on the Settlement Date.
12. I/We agree to ratify and confirm each and every act or thing that may be done or effected by the Issuer, any of its directors or any person nominated by the Issuer in the proper exercise of his or her powers and/or authority hereunder or pursuant to the Exchange and Tender Offer Memorandum.
13. I/We agree to do all such acts and things as shall be necessary and execute any additional documents deemed by the Issuer to be desirable, in each case to complete the transfer of the Existing Notes which are the subject of this Definitive Notes Instruction to the Issuer or its nominee in exchange for

the specified Series of New Notes, the Accrued Interest, the Cash Rounding Amount and/or the Tender Price and/or to perfect any of the authorities expressed to be given hereunder.

14. My/Our tender of Existing Notes, subject to the terms and conditions of the Offers generally, constitutes a grant of all necessary authority to the Luxembourg Exchange and Tender Agent, and an irrevocable instruction to such Exchange and Tender Agent to complete, execute and deliver any forms of transfer, certificates of title and other documents at the discretion of such Exchange and Tender Agent in relation to the Existing Notes tendered hereby in favour of the Issuer or such other person or persons as the Issuer may direct, and to execute all such other documents and to do all such other acts and things as may be in the opinion of the Luxembourg Exchange and Tender Agent necessary or expedient for the purpose of, or in connection with, the relevant Offer, and to vest in the Issuer such Existing Notes.
15. I/We have observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from me/us in each respect in connection with any offer or acceptance in any jurisdiction in connection with the Offers and I/we have not taken or omitted to take any action in breach of the terms of the Offers or which will or may result in the Issuer, the Arranger, the Exchange and Tender Agents, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers.
16. All authority conferred or agreed to be conferred pursuant to my/our representations, warranties and undertakings under this Definitive Notes Instruction and all of my/our obligations shall be binding upon my/our successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, my/our death or incapacity.
17. No information has been provided to me/us by the Issuer, the Arranger or the Exchange and Tender Agents, with regard to the tax consequences for Holders arising from the exchange of Existing Notes in the Exchange Offer or the receipt of the Tender Amount, Accrued Interest and (if applicable) the Cash Rounding Amount. I/We hereby acknowledge that I am/we are solely liable for any taxes and similar or related payments imposed on me/us under the laws of any applicable jurisdiction as a result of my/our participation in the Offers and I/we agree that I/we will not and do not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Arranger, the Exchange and Tender Agents, or any other person in respect of such taxes and payments.
18. I am/We are not a person to whom it is unlawful to make an invitation pursuant to the Offers under applicable laws.
19. I/We acknowledge and accept that the New Notes are being offered and sold in transactions not involving a public offering in the United States within the meaning of the United States Securities Act of 1933, as amended (the **Securities Act**), and the New Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may only be offered or delivered within the United States in transactions exempt from the registration requirements of the Securities Act in reliance on Section 3(a)(9) thereof and in compliance with the securities laws of any state or jurisdiction of the United States.
20. I am/We are outside the United Kingdom or, if I am/we are located within the United Kingdom, I am/we each are a person falling within the definition of Investment Professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**)) or within Article 43 of the Order, or another person to whom the Exchange and Tender Offer Memorandum may lawfully be communicated in accordance with the Order.

21. I am/We are not resident in the Republic of Italy and/or located in the Republic of Italy, I/we received the Exchange and Tender Offer Memorandum, this Definitive Notes Instruction and any invitation described therein outside the Republic of Italy and I am/we are not acting on behalf of persons located or resident in the Republic of Italy.
22. I am/We are outside the Republic of France or, if I am/we are located in the Republic of France, I am/we each are a person licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or a qualified investor (*investisseur qualifié*) acting for its own account (with the exception of individuals) all as defined in and in accordance with article L.411-1, L.411-2, D.411-1 to D.411-3 of the French *Code monétaire et financier*.
23. I am/We are outside the Kingdom of Belgium or, if I am/we are located in the Kingdom of Belgium, I am/we each are a qualified investor referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting on its own account.
24. I/We have full power and authority to submit for exchange or to sell and transfer the Existing Notes which are the subject of this Definitive Notes Instruction and, if such Existing Notes are accepted for exchange or purchase, such Existing Notes will be transferred to, or to the order of, the Issuer with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto.
25. I/we have delivered, or have caused to be delivered, together with this Definitive Notes Instruction the specified Existing Notes to the Luxembourg Exchange and Tender Agent, and I/we authorise the restriction on transfers of the submitted Existing Notes with effect on and from the date hereof so that, at any time pending the transfer of such Existing Notes on the relevant Settlement Date to the Issuer or on its behalf and the cancellation thereof, no transfers of such Existing Notes may be effected.
26. I/we acknowledge that the terms and conditions of the Offers set out in the Exchange and Tender Offer Memorandum shall be deemed to be incorporated in, and form a part of, this Definitive Notes Instruction which shall be read and construed accordingly, and the information given by me/us or on my/our behalf in this Definitive Notes Instruction is true and will be true in all respects at the time of the exchange.
27. I/We accept the Issuer may not be able to accept an offer to exchange for a variety of reasons, including because of the relevant Minimum Delivery Amount.
28. I/We irrevocably agree with the Issuer and the Luxembourg Exchange and Tender Agent that the execution of this Definitive Notes Instruction constitutes instruction to, on the Settlement Date, receive all of the Existing Notes that I/we have offered for exchange and/or offered to sell and which have been accepted, for the account of the Issuer against credit of the New Notes and payment by, or on behalf of, the Issuer of any Accrued Interest and Cash Rounding Amount (if any) and/or payment by, or on behalf of, the Issuer of the Tender Amount subject to the withdrawal of such Definitive Notes Instruction (in the limited circumstances in which such withdrawal is permitted) in accordance with the procedure set out in this Exchange and Tender Offer Memorandum
29. I/We undertake to vote in favour of the Proposal referred to in paragraph (G) above upon and subject to the terms thereof.
30. I/We agree that the Exchange Offer and/or Tender Offer, this Definitive Notes Instruction and any exchange and/or tender for purchase of Existing Notes pursuant to the Exchange Offer and/or Tender Offer, and any non-contractual obligations arising out of or in connection with the Offers, shall be governed by and construed in accordance with French law. By submitting this Definitive Notes

Instruction I/we irrevocably and unconditionally agree for the benefit of the Issuer, the Arranger, the Fiscal and Principal Paying Agent and the Tender and Exchange Agents that the competent courts in Paris are to have jurisdiction to settle any disputes which may arise out of or in connection with the Exchange Offer and/or Tender Offer or this Definitive Notes Instruction and that, accordingly, any suit, action or proceedings arising out of or in connection with such Offers or this Definitive Notes Instruction may be brought in such courts.

Signed⁴:

Signed:

Dated:

⁴ This Definitive Notes Instruction must be executed by the registered holder or (as appropriate) bearer (or, where there is more than one registered holder or bearer, all registered holders or bearers) of the relevant series of Existing Notes and if any such holder is a corporation, either under its common seal or by two of its officers duly authorised in writing and, in such latter case, the document so authorising such officers must be delivered with this Definitive Notes Instruction.

PART B: DECLARATION AND INDEMNITY FOR LOST CERTIFICATE(S)/BEARER DEFINITIVE NOTES

1. I/We declare that the original certificate(s)/bearer Definitive Existing Notes, as appropriate relating to the Series of Existing Notes specified in Part A paragraph 1 above bearing [certificate/serial] [delete as appropriate]

number(s).....and

dated....., being all or some of the Existing Notes I/we have offered for exchange pursuant to the Exchange Offer and/or for sale pursuant to the Tender Offer, has/have been lost or destroyed.
2. I/We agree that the Issuer, the Luxembourg Exchange and Tender Agents and the Fiscal and Principal Paying Agent can each treat this Declaration and Indemnity as evidence that we are the holders of the said certificate(s)/bearer Definitive Existing Notes, as appropriate and, in consideration of any of them so doing, we agree to keep them indemnified from and against all actions, proceedings, claims and demands which may be brought or made against them and all losses, costs, charges, damages and expenses which they may incur or sustain or for which they may become liable by reason of them so doing, subject always that this Declaration and Indemnity shall survive and continue for so long as any of the specified Series of Existing Notes remain outstanding.
3. I/We agree that where through the lapse of time or any other reason it is not possible to ascertain the certificate(s)/bearer Definitive Existing Notes, as appropriate number(s) and date of the original certificate(s)/bearer Definitive Existing Notes, as appropriate, this Declaration and Indemnity shall nonetheless be fully effective and binding on me/us.
4. I/We undertake to deliver to the Fiscal and Principal Paying Agent the original certificate(s)/bearer Definitive Existing Notes, as appropriate, should the same ever be recovered, it being understood that in the event of such delivery of the original certificate(s)/bearer Definitive Existing Notes, as appropriate, this Declaration and Indemnity will be retained and continue in force.
5. I/We acknowledge this Declaration and Indemnity will only be accepted in lieu of the original certificate(s)/bearer Definitive Existing Notes, as appropriate, at the discretion of the Issuer.

Signed⁵

Signed:

Dated.....

⁵ This Declaration and Indemnity must be executed by the registered holder or (as appropriate) bearer (or, where there is more than one registered holder or bearer, all registered holders or bearers) of the relevant Series of Existing Notes and if any such holder is a corporation, either under its common seal or by two of its officers duly authorised in writing and, in such latter case, the document so authorising such officers must be delivered with this Declaration and Indemnity.

ISSUER

BNP Paribas
16, boulevard des Italiens
75009 Paris
France

PRINCIPAL EXCHANGE AND TENDER AGENT

Lucid Issuer Services Limited

Leroy House
436 Essex Road
London N1 3QP
United Kingdom

Tel: +44 207 704 0880
Fax: +44 207 067 9098
Attention: Yves Theis
Email: bnpparibas@lucid-is.com

LUXEMBOURG EXCHANGE AND TENDER AGENT

BGL BNP Paribas

50, avenue J.F. Kennedy
L-2951 Luxembourg

Telephone: +352 4242 4513
Fax: +352 4242 8221
Attention: Physical Coupons – Paying Agency
Email: romain.muller@bgl.lu

Any questions or requests for assistance with respect to the procedures for exchanging or tendering Existing Notes, including the delivery of Offer Instructions may be directed to the Exchange and Tender Agents and any questions regarding the terms of the Offers or requests for additional copies of this Exchange and Tender Offer Memorandum may be directed to the Arranger.

THE ARRANGER AND STRUCTURING ADVISER

BNP Paribas, London branch

10 Harewood Avenue
London NW1 6AA
United Kingdom
Tel: +44 207 595 8668
Fax: +44 207 595 5750
Email: liability.management@bnpparibas.com

**FISCAL AGENT, PRINCIPAL PAYING AGENT AND CALCULATION AGENT
FOR THE NEW NOTES**

BNP Paribas Securities Services

9, rue du Débarcadère
93500 Pantin
France

LISTING AGENT FOR THE NEW NOTES

BNP Paribas Securities Services, Luxembourg Branch

33, rue de Gasperich, Howald - Hesperange
L-2085 Luxembourg

LEGAL ADVISERS

to the Issuer and the Arranger

Allen & Overy LLP

Edouard VII
26, boulevard des Capucines
75009 Paris
France

AUDITORS TO THE ISSUER

Deloitte & Associés

185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine Cedex
France

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
France

Mazars

61, rue Henri-Regnault
92400 Courbevoie
France