



**AXA Bank Europe SCF**  
**(société de crédit foncier duly licensed as a French specialised credit institution (établissement de crédit spécialisé))**  
**€ 9,000,000,000**  
**Euro Medium Term Note Programme**  
**for the issue of obligations foncières**

Under the Euro Medium Term Note Programme (the "**Programme**") described in this Base Prospectus (the "**Base Prospectus**"), AXA Bank Europe SCF (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations foncières* (the "**Notes**"), benefiting from the statutory *privilège* (priority right of payment) created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), as more fully described herein (the "**Privilège**").

The aggregate nominal amount of Notes outstanding will not at any time exceed € 9,000,000,000 (or its equivalent in other currencies) at the date of issue.

This Base Prospectus supersedes and replaces the base prospectus dated 20 December 2017 and all supplements thereto.

Application has been made to the *Commission de surveillance du secteur financier* for approval of this Base Prospectus in its capacity as competent authority in Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 (as amended, by the Luxembourg law of 3 July 2012) which implements the Directive 2003/71/EC of 4 November 2003, as amended (the "**Prospectus Directive**") in Luxembourg.

Application may be made to (i) the Luxembourg Stock Exchange during a period of twelve (12) months after the date of this Base Prospectus for Notes issued under the Programme 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 and/or (ii) to the competent authority of any other member state of the European Economic Area ("**EEA**") for Notes issued under the Programme to be admitted to trading on a Regulated Market (as defined below) in such member state. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU dated 15 May 2014, as amended from time to time, appearing on the list of regulated markets (each a "**Regulated Market**") issued by the European Securities Markets Authority (the "**ESMA**"). Notes issued under the Programme may also be unlisted or listed and admitted to trading on any other market, including any other Regulated Market. The relevant final terms (a form of which is contained herein) in respect of the issue of any Notes (the "**Final Terms**") will specify whether or not such Notes will be listed and admitted to trading on any market. Notes which are to be admitted to trading on a Regulated Market within the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of €1,000 (or its equivalent in any other currency as at the date of issue of the Notes) or such higher amount as may be allowed or required by the relevant monetary authority or any applicable laws or regulations.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein.

Dematerialised Notes will at all times be in book-entry form in compliance with Articles L.211-3 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*). No physical documents of title will be issued in respect of Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "*Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination*") including Euroclear Bank SA/NV ("**Euroclear**") and the depository bank for Clearstream Banking S.A. ("**Clearstream**"), or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "*Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination*"), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached (the "**Definitive Materialised Notes**"), on or after a date expected to be on or about the fortieth (40<sup>th</sup>) day after the issue date of the Notes (subject to postponement as described in "*Temporary Global Certificate in respect of Materialised Notes*") upon certification as to non-US beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche (as defined in "*Terms and Conditions of the Notes*") intended to be cleared through Euroclear and/or Clearstream be deposited on the issue date with a common depository for Euroclear and Clearstream, and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s) (as defined below).

Notes to be issued under the Programme are expected on issue to be rated Aaa by Moody's Investors Service Ltd ("**Moody's**"). Obligations rated "Aaa" by Moody's are judged to be of the highest quality, subject to the lowest level of credit risk. Long-term ratings by Moody's are assigned to issuers or obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice. The rating of the Notes will be specified in the relevant Final Terms. As at the date of this Base Prospectus, Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended (the "**CRA Regulation**") and is included in the list of credit rating agencies published by the ESMA on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

See section entitled "**Risk Factors**" below for certain information relevant to an investment in the Notes to be issued under the Programme.

ARRANGER

BNP PARIBAS

PERMANENT DEALERS

BNP PARIBAS  
HSBC  
NATIXIS

CRÉDIT AGRICOLE CIB  
ING

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

The date of this Base Prospectus is 18 December 2018

**This Base Prospectus (together with all supplements thereto from time to time), constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and contains all relevant information concerning the Issuer which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, as well as the base terms and conditions of the Notes to be issued under the Programme. The terms and conditions applicable to each Tranche not contained herein (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue on the basis of the then prevailing market conditions and will be set out in the relevant Final Terms.**

**This Base Prospectus should be read and construed in conjunction with (i) any document and/or information which is incorporated herein by reference (see "Documents incorporated by reference" below), (ii) any supplement thereto that may be published from time to time and (iii) in relation to any Tranche of Notes, the relevant Final Terms.**

**This Base Prospectus (together with all supplements thereto from time to time) may only be used for the purposes for which it has been published.**

**No person is or has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealer(s). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.**

**The distribution of this Base Prospectus and the offering or sale of Notes in certain jurisdictions may be restricted by law. The Issuer, the Arranger and the Dealer(s) do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealer(s) which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States of America, the EEA (including Belgium France and the United Kingdom), Switzerland and Japan. For a description of these and certain other restrictions on offers, sales and transfers of Notes and on distribution of this Base Prospectus, see section entitled "Subscription and Sale".**

**The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("Regulation S"). The Notes may include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be**

offered or sold or, in the case of Materialised Notes in bearer form, delivered within the United States or, in the case of certain Materialised Notes in bearer form, to, or for the account or benefit of, United States persons as defined in the U.S. Internal Revenue Code of 1986, as amended. The Notes are being offered and sold outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealer(s) to subscribe for, or purchase, any Notes below.

The Arranger and the Dealer(s) have not separately verified the information contained or incorporated by reference in this Base Prospectus. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information included or incorporated by reference in this Base Prospectus. Neither this Base Prospectus nor any other information supplied in connection with the Programme (including any information incorporated by reference) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealer(s) that any recipient of this Base Prospectus or other information supplied in connection with the Programme (including any information incorporated by reference) should purchase the Notes. Each prospective investor in the Notes should determine for itself the relevance of the information contained or incorporated by reference in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information that may come to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche, the Dealer(s) (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, cease at any time, but it must end no later than the earlier of thirty (30) calendar days after the issue date of the relevant Tranche and sixty (60) calendar days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted by the Stabilising Manager (or the person acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.

None of the Issuer, the Arranger or the Dealers makes any representation to any prospective investor in the Notes regarding the legality of its investment under any applicable laws. If you are in any doubt about the contents of this Base Prospectus you should contact your advisers.

Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. Notes involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Notes. For more information, see section entitled "Risk Factors".

**PRIIPS REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – If the Final Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as

defined in point (11) of Article 4(1) of the Markets in Financial Instruments Directive 2014/65/EU dated 15 May 2014, as amended from time to time ("MiFID II"); or (ii) a customer within the meaning of Directive 2016/97 (EU), as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority on 5 February 2018 and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.**

**A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.**

**In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "euro" or "EUR" are 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, references to "£", "pounds sterling" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "US Dollar" are to the lawful currency of the United States of America, references to "¥", "JPY" and "Yen" are to the lawful currency of Japan and references to "CHF" and "Swiss Francs" are to the lawful currency of Switzerland.**

**Any websites included in this Base Prospectus (including in any document incorporated by reference herein) are for information purposes only and do not form part of this Base Prospectus.**

**Except where specified otherwise, capitalised words and expressions in this Base Prospectus have the meaning given to them in the section entitled "Glossary of Defined Terms".**

## **FORWARD-LOOKING STATEMENTS**

This Base Prospectus may contain certain statements that are forward-looking including statements with respect to the Issuer's business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "**believe**", "**expect**", "**project**", "**anticipate**", "**seek**", "**estimate**" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.

## TABLE OF CONTENTS

	<b>Page</b>
Summary of the Programme .....	6
Résumé du Programme .....	22
Person responsible for the information given in the Base Prospectus .....	39
Risk factors .....	40
General Description of the Programme.....	67
Supplement to the Base Prospectus.....	78
Documents incorporated by reference .....	79
Terms and Conditions of the Notes .....	82
Temporary Global Certificates in respect of Materialised Notes .....	109
Use of proceeds.....	111
Overview of the legislation and regulations relating to <i>sociétés de crédit foncier</i> .....	112
Description of the Issuer .....	119
Relationship between AXA Bank Europe SCF and AXA Group Entities.....	125
Form of Final Terms.....	151
Taxation.....	166
Subscription and Sale.....	169
General Information.....	173
Glossary of Defined Terms .....	176
Index of Defined Terms.....	183

## SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

<b>Section A – Introduction and warning</b>		
<b>A.1</b>	<b>General disclaimer regarding the summary</b>	<p>This summary should be read as an introduction to this base prospectus as may be supplemented from time to time (the "<b>Base Prospectus</b>").</p> <p>Any decision to invest in the notes to be issued under the Programme (the "<b>Notes</b>") should be based on a consideration of this Base Prospectus as a whole by the investor, including any documents incorporated by reference, any supplement thereto, as the case may be, and the relevant final terms (the "<b>Final Terms</b>"). Where a claim relating to information contained in this Base Prospectus is brought before a court in a member state (a "<b>Member State</b>") of the European Economic Area (the "<b>EEA</b>"), the plaintiff investor, might, under the national legislation of the Member State where the claim is brought, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.</p> <p>No claim on civil liability can be brought in a Member State against any person on the sole basis of this summary, including any translation thereof, except if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus (including all documents incorporated by reference therein) or if it does not provide, when read together with the other parts of the Base Prospectus (including all documents incorporated by reference therein), key information in order to aid investors when considering whether to invest in the Notes.</p>
<b>A.2</b>	<b>Consent by the Issuer to the use of the Prospectus</b>	Not Applicable. There is no consent given by the Issuer to use the Base Prospectus, as supplemented from time to time, and the applicable Final Terms.

<b>Section B – Issuer</b>		
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b>	AXA Bank Europe SCF (the " <b>Issuer</b> ").
<b>B.2</b>	<b>Registered office/ Legal form/ Legislation/ Country of Incorporation of the Issuer</b>	<p>AXA Bank Europe SCF is a limited liability company with a board of directors incorporated under French law, duly licensed in France as a specialised credit institution with the status of <i>société de crédit foncier</i> delivered by the <i>Autorité de contrôle prudentiel et de résolution</i>.</p> <p>AXA Bank Europe SCF is also duly registered by the Financial Services and Markets Authority as mortgage lender (<i>kredietgever in hypotheccair krediet</i>) in Belgium via the freedom to provide services.</p> <p>The Issuer is governed by the laws and regulations applicable to limited liability companies, to specialised credit institutions and, in particular, to <i>sociétés de crédit foncier</i>.</p> <p>The Issuer's registered office is located at 203/205, rue Carnot, 94138, Fontenay-sous-Bois, France.</p>

<b>B.4b</b>	<i>Description of any known trends affecting the Issuer and the industries in which it operates</i>	<p>AXA Bank Europe SCF, as issuer of <i>obligations foncières</i>, operates on the covered bond market. This market has shown strong resilience since the 2008 financial crisis. The European Central Bank action via its purchase programme (CBPP3) has helped maintaining stability of the Euro covered bonds market but the uncertainty surrounding the end of the purchase programme is having an effect on volumes issued and spreads.</p> <p>More generally, French and European regulators and legislators may, at any time, implement new or different measures that could have a significant impact on the Issuer and/or on the financial system in general. In this respect, the European Commission published on 12 March 2018 a proposal for a Directive on the issue of covered bonds, the purpose of which is to establish a framework to enable a more harmonised covered bond market in the European Union. The proposed Directive covers in particular requirements for issuing covered bonds, requirements for marketing covered bonds as "European Covered Bonds", structural features of covered bonds (e.g. asset composition, derivatives, liquidity...) and regulatory supervision. For the implementation of the proposed Directive, the European Commission published on the same date a proposed Regulation would mainly amend Article 129 of Regulation (EU) No 575/2013 (Capital Requirements Regulation) and could amend the current requirements on minimum overcollateralisation and substitution assets.</p>
<b>B.5</b>	<i>Description of the Issuer's group and the Issuer's position within the group</i>	<p>The Issuer is a subsidiary of AXA Bank Belgium (previously known as AXA Bank Europe), a public limited liability company (<i>société anonyme/naamloze vennootschap</i>) incorporated under Belgian law, licensed as a credit institution and supervised by the European Central Bank.</p> <p>The Issuer was originally created to refinance residential mortgage loans (either directly by purchasing the receivables arising from such residential mortgage loans or indirectly via the subscription of residential mortgage-backed securities ("RMBS") issued by Royal Street NV/SA ("<b>Royal Street</b>"), a Belgian securitisation vehicle. The purpose of Royal Street was to acquire residential mortgage loan receivables originated by AXA Bank Belgium which were selected so that such residential mortgage loans and the receivables arising therefrom would comply with <i>inter alia</i> the eligibility criteria set out in Article L.513-2 of the French Monetary and Financial Code. However, RMBS may only be refinanced within a limit of 10 per cent. of the nominal amount of the <i>obligations foncières</i> (i.e. the Notes) as from 1 January 2018.</p> <p>The Issuer's prime purpose is now the refinancing of residential mortgage loans, either directly by purchasing the receivables arising from such residential mortgage loans or indirectly via the acquisition of assets which are eligible assets in accordance with the French legal framework applicable to <i>sociétés de crédit foncier</i> as described in Element B.15.</p> <p>AXA Bank Belgium is a member of the AXA group which is an important global player whose ambition is to attain leadership in its core "Financial Protection" business. Financial Protection involves offering customers - individuals as well as small and mid-size businesses - a wide range of products and services that meet their insurance, protection, savings, retirement and financial planning needs throughout their lives.</p>
<b>B.9</b>	<i>Figure of profit forecast or estimate (if any)</i>	Not Applicable. The Issuer does not provide any profit forecast or estimate.
<b>B.10</b>	<i>Description of the nature of any qualifications in the audit</i>	Not Applicable. There are no qualifications in any audit report on the historical financial information included in the Base Prospectus.

	<i>report on the historical financial information</i>																																																							
<b>B.12</b>	<b><i>Selected historical key financial information regarding the Issuer</i></b>	<p>The tables below set out selected financial information extracted from (i) the Issuer's audited financial statements for the periods from, respectively, 1 January 2016 to 31 December 2016, and 1 January 2017 to 31 December 2017, and (ii) the Issuer' semi-annual accounts for the six months period ended, respectively, 30 June 2017 and 30 June 2018 which were subject to a limited review by the statutory auditors:</p> <p>Comparative annual financial data <i>(in thousands of euros)</i></p> <table border="1" data-bbox="560 589 1401 1182"> <thead> <tr> <th><b>Income statement</b></th> <th><b>2017</b></th> <th><b>2016</b></th> </tr> </thead> <tbody> <tr> <td>Net banking income</td> <td>21,667</td> <td>25,284</td> </tr> <tr> <td>Gross operating income</td> <td>16,711</td> <td>22,403</td> </tr> <tr> <td>Net income</td> <td>12,203</td> <td>14,844</td> </tr> <tr> <td><b>Balance sheet</b></td> <td><b>31/12/2017</b></td> <td><b>31/12/2016</b></td> </tr> <tr> <td>Total balance sheet</td> <td>6,882,591</td> <td>4,828,003</td> </tr> <tr> <td>Shareholders' equity</td> <td>138,971</td> <td>126,768</td> </tr> <tr> <td>Subordinated debt (AT1)</td> <td>125,954</td> <td>0</td> </tr> <tr> <td>Debt securities</td> <td>5,666,770</td> <td>4,175,297</td> </tr> </tbody> </table> <p>Comparative interim financial data <i>(in thousands of euros)</i></p> <table border="1" data-bbox="560 1272 1401 1899"> <thead> <tr> <th><b>Income statement</b></th> <th><b>1 January to 30 June 2018</b></th> <th><b>1 January to 30 June 2017</b></th> </tr> </thead> <tbody> <tr> <td>Net banking income</td> <td>8,841</td> <td>15,573</td> </tr> <tr> <td>Gross operating income</td> <td>5,165</td> <td>14,070</td> </tr> <tr> <td>Net income</td> <td>3,993</td> <td>10,334</td> </tr> <tr> <td><b>Balance sheet</b></td> <td><b>30/06/2018</b></td> <td><b>30/06/2017</b></td> </tr> <tr> <td>Total balance sheet</td> <td>6,926,845</td> <td>7,023,055</td> </tr> <tr> <td>Shareholders' equity</td> <td>162,963</td> <td>137,102</td> </tr> <tr> <td>Subordinated debt (AT1)</td> <td>125,943</td> <td>0</td> </tr> <tr> <td>Debt securities</td> <td>5,681,179</td> <td>5,679,440</td> </tr> </tbody> </table>	<b>Income statement</b>	<b>2017</b>	<b>2016</b>	Net banking income	21,667	25,284	Gross operating income	16,711	22,403	Net income	12,203	14,844	<b>Balance sheet</b>	<b>31/12/2017</b>	<b>31/12/2016</b>	Total balance sheet	6,882,591	4,828,003	Shareholders' equity	138,971	126,768	Subordinated debt (AT1)	125,954	0	Debt securities	5,666,770	4,175,297	<b>Income statement</b>	<b>1 January to 30 June 2018</b>	<b>1 January to 30 June 2017</b>	Net banking income	8,841	15,573	Gross operating income	5,165	14,070	Net income	3,993	10,334	<b>Balance sheet</b>	<b>30/06/2018</b>	<b>30/06/2017</b>	Total balance sheet	6,926,845	7,023,055	Shareholders' equity	162,963	137,102	Subordinated debt (AT1)	125,943	0	Debt securities	5,681,179	5,679,440
<b>Income statement</b>	<b>2017</b>	<b>2016</b>																																																						
Net banking income	21,667	25,284																																																						
Gross operating income	16,711	22,403																																																						
Net income	12,203	14,844																																																						
<b>Balance sheet</b>	<b>31/12/2017</b>	<b>31/12/2016</b>																																																						
Total balance sheet	6,882,591	4,828,003																																																						
Shareholders' equity	138,971	126,768																																																						
Subordinated debt (AT1)	125,954	0																																																						
Debt securities	5,666,770	4,175,297																																																						
<b>Income statement</b>	<b>1 January to 30 June 2018</b>	<b>1 January to 30 June 2017</b>																																																						
Net banking income	8,841	15,573																																																						
Gross operating income	5,165	14,070																																																						
Net income	3,993	10,334																																																						
<b>Balance sheet</b>	<b>30/06/2018</b>	<b>30/06/2017</b>																																																						
Total balance sheet	6,926,845	7,023,055																																																						
Shareholders' equity	162,963	137,102																																																						
Subordinated debt (AT1)	125,943	0																																																						
Debt securities	5,681,179	5,679,440																																																						
	<b><i>Material adverse change statement</i></b>	There has been no material adverse change in the prospects of the Issuer since its most recent annual audited financial statements dated 31 December 2017.																																																						



	<b>Significant change in the financial and trading position</b>	Not applicable. There has been no significant change in the financial or trading position of the Issuer since its most recent interim financial statements dated 30 June 2018.
<b>B.13</b>	<b>Description of any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency</b>	<p><b>Exercise of the call option of Series 16 notes on 10 October 2018</b></p> <p>On 10 October 2018, the Issuer exercised its call option of the €250,000,000 floating rate obligations foncières due 23 March 2027 extendible as floating rate <i>obligations foncières</i> up to 23 March 2028 (i.e. the Series 16 notes).</p> <p><b>Early redemption of a mortgage promissory note (billet à ordre hypothécaire) issued by AXA Banque</b></p> <p>On 10 October 2018, the €260,000,000 mortgage promissory note due 23 March 2027 issued by AXA Banque and subscribed by AXA Bank Europe SCF on 23 March 2017 was redeemed early by AXA Banque.</p> <p><b>Exercise of the call option of Series 9 notes on 7 November 2018</b></p> <p>On 7 November 2018, the Issuer exercised its call option of the €400,000,000 floating rate obligations foncières due 18 November 2019 extendible as floating rate <i>obligations foncières</i> up to 18 November 2020 (i.e. the Series 9 notes).</p> <p><b>Early redemption of a mortgage promissory note (billet à ordre hypothécaire) issued by AXA Banque</b></p> <p>On 7 November 2018, the €450,000,000 mortgage promissory note due 18 November 2019 issued by AXA Banque and subscribed by AXA Bank Europe SCF on 18 November 2014 was redeemed early by AXA Banque.</p>
<b>B.14</b>	<b>Statement as to whether the Issuer is dependent upon other entities within the group</b>	<p>See Element B.5. The Issuer is a subsidiary of AXA Bank Belgium.</p> <p>The Issuer relies on third parties who have agreed to perform services for the Issuer. In this respect, the Issuer has entered into several contracts with AXA Bank Belgium and AXA Banque (depending on the relevant service provided for) for <i>inter alia</i>:</p> <ul style="list-style-type: none"> <li>- the management of its operations and the recovery of assets in accordance with the provisions of Article L.513-15 of the French Monetary and Financial Code;</li> <li>- its risk management and services for the fulfillment of the regulatory obligations of the Issuer in its capacity as specialised credit institution;</li> <li>- the hedging of its obligations under certain Series of Notes; and</li> <li>- the provision of liquidity.</li> </ul> <p>See Element B.15 for a description of contractual relationships between the Issuer and entities of the AXA group.</p>
<b>B.15</b>	<b>Description of the Issuer's principal activities</b>	<p>In accordance with Article L.513-2 of the French Monetary and Financial Code which defines the exclusive purpose of <i>sociétés de crédit foncier</i> and with Article 2 of its by-laws, the Issuer's exclusive purpose consists in carrying out the activities and operations below, whether in France or abroad:</p> <ul style="list-style-type: none"> <li>- credit operations and assimilated operations within the terms set forth by regulations applicable to <i>sociétés de crédit foncier</i> and within the limits of its license;</li> <li>- financing operations within the terms set forth by regulations applicable to <i>sociétés de crédit foncier</i> by means of issuance of <i>obligations foncières</i> or any other borrowing; and</li> <li>- any ancillary activities expressly authorized by the texts on <i>sociétés de</i></li> </ul>

		<p style="text-align: center;"><i>crédit foncier</i> for the achievement of its exclusive corporate purpose.</p> <p>The Issuer's prime purpose is the refinancing of residential mortgage loans, either directly by purchasing the receivables arising from such residential mortgage loans or indirectly via the acquisition of assets which are eligible assets in accordance with the French legal framework applicable to <i>sociétés de crédit foncier</i> as described below.</p> <p>In order to finance such transactions, the Issuer may from time to time issue <i>obligations foncières</i> benefiting from the <i>Privilège</i> (or incur other forms of borrowings benefiting from the <i>Privilège</i>) and may also issue ordinary bonds or raise other sources of financing which do not benefit from the <i>Privilège</i>.</p> <p style="text-align: center;"><i>1. Funding of Advances under the Facility Documents</i></p> <p>The proceeds of the Notes may be used by the Issuer to fund advances (each, an "<b>Advance</b>") to AXA Bank Belgium under a credit facility agreement (the "<b>Facility Agreement</b>"), such Advances being secured by the pledge (<i>nantissement</i>) of Loans receivables to the benefit of the Issuer (the "<b>Collateral Security</b>") pursuant to (i) Articles L. 211-36 to L. 211-40 of the French Monetary and Financial Code (the "<b>French Collateral Security Agreement</b>") and (ii) Article 4 of the Belgian Act of 15 December 2004 on Financial Collateral (the "<b>Belgian Collateral Security Agreement</b>").</p> <p>In connection with the Collateral Security, the Issuer and AXA Bank Belgium have entered into a French law collateral servicing agreement (the "<b>Collateral Servicing Agreement</b>" and, together with the Facility Agreement, the French Collateral Security Agreement, the Belgian Collateral Security Agreement, being part of the "<b>Facility Documents</b>") setting out the general terms and conditions under which (i) the Issuer appoints AXA Bank Belgium as "servicer" in relation to the servicing, management and recovery of the Loans receivables and (ii) AXA Bank Belgium exercises the control (<i>contrôle</i>) over such Loan receivables on the behalf of the Issuer.</p> <p style="text-align: center;"><i>2. Purchase of Loans under the Purchase Documents</i></p> <p>The proceeds of the Notes may be used by the Issuer to purchase Loans receivables from AXA Bank Belgium under a mortgage loan sale agreement (the "<b>Mortgage Loan Sale Agreement</b>" or the "<b>MLSA</b>").</p> <p>In connection with the purchase of Loans receivables from AXA Bank Belgium under the MLSA, the Issuer and AXA Bank Belgium have entered into a Belgian law servicing agreement (the "<b>Servicing Agreement</b>" and together with the MLSA, being part of the "<b>Purchase Documents</b>") setting out the general terms and conditions under which (i) the Issuer appoints AXA Bank Belgium as "servicer" in relation to the Loans receivables and (ii) the Issuer defines powers and responsibilities of each of the servicer and the administrator.</p> <p style="text-align: center;"><i>3. Subscription of mortgage promissory notes</i></p> <p>The proceeds of the Notes may be used by the Issuer to subscribe mortgage promissory notes issued by AXA Banque, the purpose of which are to refinance French residential loan receivables originated by AXA Banque. AXA Banque is responsible for servicing and custody of such loan receivables. AXA Banque sub-contracts the servicing and custody of the loan receivables to Crédit Foncier de France.</p>
<b>B.16</b>	<i>Extent to which the Issuer is directly or indirectly</i>	At the date hereof, 99.99 per cent. of the Issuer's share capital is held by AXA Bank Belgium.

	<i>owned or controlled</i>	
<b>B.17</b>	<b><i>Credit ratings assigned to the Issuer or its debt securities</i></b>	<p>Notes to be issued under the Programme are expected on issue to be rated Aaa by Moody's Investors Service Ltd ("Moody's").</p> <p>As at the date of this Base Prospectus, Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended (the "<b>CRA Regulation</b>") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published by the European Securities and Markets Authority on its website (<a href="https://www.esma.europa.eu/supervision/credit-rating-agencies/risk">https://www.esma.europa.eu/supervision/credit-rating-agencies/risk</a>). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice.</p> <p>[[Not applicable. The Notes are not rated.]/[The Notes to be issued [have been rated/are expected to be rated] [●] by [●].]]</p>

<b>Section C – Securities</b>		
<b>C.1</b>	<b><i>Type, class and identification number of the Notes</i></b>	<p>The Notes to be issued under the Programme are <i>obligations foncières</i> benefiting from the statutory <i>Privilège</i> (priority right of payment).</p> <p>The Notes may be distributed on a syndicated or non-syndicated basis.<sup>1</sup></p> <p><b><i>[Notes description]</i></b> [The Notes will be issued on a [syndicated / non-syndicated] basis, under Series No. [●], Tranche No. [●].]</p> <p>The Notes will be issued in the form of [Dematerialised/Materialised] Notes.</p> <p>The central depository is: [Euroclear France]/[●] The common depository is: [●]</p> <p><b><i>Notes identification number</i></b> The identification number of the Notes to be issued (ISIN) is: [●]. The common code of the Notes to be issued is: [●].]</p>
<b>C.2</b>	<b><i>Currency</i></b>	<p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in <i>inter alia</i> Euro, U.S. dollars, Sterling, Japanese yen and Swiss francs and in any other lawful currency.<sup>2</sup></p> <p>[The currency of the issue is: [●].]</p>
<b>C.5</b>	<b><i>Description of any restrictions on the free transferability of the Notes</i></b>	<p>Not Applicable. There is no restriction on the free transferability of the Notes (subject to the applicable selling restrictions in various jurisdictions including United States of America, Belgium, France, the United Kingdom, Switzerland and Japan/(<i>other specify</i>)).</p>
<b>C.8</b>	<b><i>Description of the rights attached to the Notes, including ranking and</i></b>	<p><b><i>Issue price</i></b><sup>3</sup></p> <p>The Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The issue price will be determined at the time of the issue of the relevant Notes.</p>

<sup>1</sup> Delete this paragraph when drafting an issue specific summary.

<sup>2</sup> Delete this paragraph when drafting an issue specific summary.

<sup>3</sup> Delete this paragraph when drafting an issue specific summary.

<p><i>limitations to those rights</i></p>	<p><b>Denomination<sup>4</sup></b>  Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer(s), provided that all Notes admitted to trading on a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU dated 15 May 2014, as amended from time to time (each such market being a "<b>Regulated Market</b>") in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of € 1,000 (or its equivalent in any other currency at the time of issue) or such higher amount as may be allowed or required from time to time in relation to the relevant Specified Currency.</p> <p>Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000, unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.</p> <p>Under the Luxembourg Act dated 10 July 2005 on prospectuses for securities, which implements the Prospectus Directive, prospectuses for the listing of money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of such Act and do not need to be approved by the CSSF.</p> <p>Dematerialised Notes will be issued in one denomination only.</p> <p><b>Status of the Notes and Privilège</b>  The Notes will be issued under Articles L.513-2 to L.513-27 of the French Monetary and Financial Code. Noteholders benefit from the <i>Privilège</i> over all the assets and revenues of the Issuer.</p> <p>The principal and interest of the Notes and, where applicable, any related receipts and coupons relating to them, constitute direct, unconditional, unsubordinated and privileged obligations of the Issuer and rank and will rank <i>pari passu</i> and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the <i>Privilège</i>.</p> <p><b>Negative Pledge</b>  Not applicable. There is no negative pledge in respect of the Notes.</p> <p><b>Events of default</b>  Not applicable. The Terms and Conditions of the Notes do not contain events of default provisions.</p> <p><b>Assimilation</b>  The Issuer may from time to time without the consent of the Noteholders or holders of receipts or coupons create and issue further Notes to be assimilated with the Notes provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save as to the first payment of interest) and that the terms of such Notes provide for such assimilation.</p> <p><b>Taxation</b>  All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p>
---	--

<sup>4</sup>

Delete this paragraph when drafting an issue specific summary.

		<p>If any law or any agreement entered into with the U.S. Internal Revenue Service (IRS) pursuant to Foreign Account Tax Compliance Act ("FATCA") or an intergovernmental agreement implementing FATCA should require that such payments be subject to deduction or withholding, the Issuer will not be required to pay any additional amounts in respect of any such deduction or withholding.</p> <p><b>Governing law</b> The Notes (and, where applicable, the receipts, the coupons and the talons relating to the Notes) are governed by, and shall be construed in accordance with, French law.</p> <p><b>[Issue price</b> The issue price of the Notes is: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●] (if applicable)].</p> <p>Specified Denomination: [●]]</p>
C.9	<p><b>Interest, maturity and redemption provisions, yield and representation of the Noteholders</b></p>	<p>Please also refer to the information provided in Element C.8 above.</p> <p><b>Nominal interest rates<sup>5</sup></b> The Notes can be "Fixed Rate Notes", "Floating Rate Notes", "Fixed/Floating Rate Notes", "Inverse Floating Rate Notes" or "Zero Coupon Notes".</p> <p><b>Date from which interest becomes payable and due dates thereof<sup>6</sup></b> The date from which interest becomes payable and the maturity date of each Notes issue will be specified for each issue of Notes.</p> <p><b>Description of the underlying on which the rate is based, in case of a non-fixed rate<sup>7</sup></b> Not Applicable; interest, if any, will be based on fixed rate or floating rate or at a rate which varies during the duration of the relevant Tranche.</p> <p><b>Fixed Rate Notes<sup>8</sup></b> Fixed interest will be payable in arrear on the relevant date or dates in each year.</p> <p><b>Floating Rate Notes<sup>9</sup></b> Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> <li>- on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2013 FBF Master Agreement relating to transactions on forward financial instruments, as published by the <i>Fédération Bancaire Française</i>, or, as the case may be, an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., or</li> <li>- on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR, EONIA, LIBOR or EUR CMS),</li> </ul> <p>in each case plus or minus any applicable margin, if any. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.</p> <p>Unless otherwise specified in the Final Terms, the minimum rate of interest, being the relevant rate of interest plus any relevant margin, shall be deemed to be zero.</p> <p><b>Fixed/Floating Rate Notes<sup>10</sup></b></p>

<sup>5</sup> Delete this paragraph when drafting an issue specific summary.

<sup>6</sup> Delete this paragraph when drafting an issue specific summary.

<sup>7</sup> Delete this paragraph when drafting an issue specific summary.

<sup>8</sup> Delete this paragraph when drafting an issue specific summary.

<sup>9</sup> Delete this paragraph when drafting an issue specific summary.

	<p>Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on a specified date from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on a specified date.</p> <p><b><i>Inverse Floating Rate Notes</i></b><sup>11</sup></p> <p>Inverse Floating Rate Notes may bear interest at a a Fixed Rate minus a Floating Rate.</p> <p><b><i>Zero Coupon Notes</i></b><sup>12</sup></p> <p>Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.</p> <p><b><i>Maturity date and conditions of amortization of the issue, including the redemption procedures</i></b><sup>13</sup></p> <p>Subject to compliance with all relevant laws, regulations and directives, the Notes may have any maturity (the "<b>Final Maturity Date</b>"), subject to such minimum maturity as may be required by the applicable legal and/or regulatory requirements. An extended final maturity date (the "<b>Extended Maturity Date</b>") may be specified for a Tranche of Notes (the "<b>Extendible Notes</b>").</p> <p><b><i>Redemption at the maturity date</i></b><sup>14</sup></p> <p>Subject to any laws and regulations applicable from time to time, the redemption amounts payable in respect of each Note will be its principal amount or any higher amount (the "<b>Final Redemption Amount</b>").</p> <p><b><i>Optional redemption</i></b><sup>15</sup></p> <p>Some Series of Notes may be redeemed prior to their stated maturity at the option of the Issuer or the Noteholders (either in whole or in part) and, if so, to the extent specified in the terms applicable to such redemption.</p> <p><b><i>Early redemption</i></b><sup>16</sup></p> <p>Except as provided in "Optional redemption" above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for illegality (as provided in Condition 6 (j) under "Terms and Conditions of the Notes").</p> <p><b><i>Yield</i></b><sup>17</sup></p> <p>For each issue of Fixed Rate Notes, an indication of the yield applicable if the Notes are held until their maturity will be provided. It is not an indication of future yield.</p> <p><b><i>Representative of the Noteholders</i></b></p> <p>The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a masse (the "<b>Masse</b>") which will be governed by the provisions of Articles L. 228-46 <i>et seq.</i> of the French Commercial Code as completed by the Terms and Conditions of the Notes.</p> <p>If and for so long as the Notes are held by a sole Noteholder, such Noteholder shall exercise all powers, rights and obligations entrusted to the Noteholders acting through collective decisions by the provisions of the French Commercial Code. The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any Noteholder.</p> <p>The Notes are [Fixed Rate Notes / Floating Rate Notes / Fixed/Floating Rate Notes /</p>
--	--

<sup>10</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>11</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>12</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>13</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>14</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>15</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>16</sup> Delete this paragraph when drafting an issue specific summary.  
<sup>17</sup> Delete this paragraph when drafting an issue specific summary.

Zero Coupon Notes/Inverse Floating Rate Notes].

***Date from which interest becomes payable and due dates thereof***

Rate[s] of Interest:	<p>[[●] per cent. Fixed Rate]</p> <p>[[●] +/- [●] per cent. Floating Rate]</p> <p>[Fixed/Floating Rate: [●] per cent. Fixed Rate [●] +/- [●] per cent. Floating Rate Switch Date: [●]]</p> <p>[Zero Coupon]</p> <p>[Inverse Floating Rate Notes: Fixed Rate: [●] per cent. per year Floating Rate: [●] Interest Basis: [●] Margin: [Note applicable]/[To be specified] Maximal or minimal interest rate: [Not applicable]/[To be specified]]</p>
Interest Payment Date(s):	[●] in each year
Interest Commencement Date:	Issue Date/[●]

***Maturities***

Maturity Date:	[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
[Extended Maturity Date:	If the Final Redemption Amount is not paid on the Maturity Date, such payment of unpaid amount will be deferred and will be due and payable on [●], provided that the Final Redemption Amount unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date occurring thereafter up to and including the Extended Maturity Date.]

***Redemption***

Final Redemption Amount of each Note:	[[●] per Note of [●] Specified Denomination]
Redemption by Instalments:	[[●] (amount of each instalment, date on which each payment is to be made)] / [●]

***Redemption prior to the maturity date***

Call Option:	[Yes/No]
Put Option:	[Yes/No]

		<table border="1"> <tr> <td>Optional Redemption Amount:</td> <td>[[●] per Note of [●] Specified Denomination]</td> </tr> <tr> <td>Early Redemption Amount:</td> <td>[[●] per Note of [●] Specified Denomination]</td> </tr> </table> <p><b><i>Yield to maturity</i></b></p> <table border="1"> <tr> <td>Yield (in respect of Fixed Rate Notes):</td> <td>[●]</td> </tr> </table> <p><b><i>Representation of the Noteholders</i></b></p> <table border="1"> <tr> <td>Representation of the Noteholders:</td> <td>           [Name and address of the Representative: [●]            Name and address of the alternate Representative: [●]]             [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]         </td> </tr> </table>	Optional Redemption Amount:	[[●] per Note of [●] Specified Denomination]	Early Redemption Amount:	[[●] per Note of [●] Specified Denomination]	Yield (in respect of Fixed Rate Notes):	[●]	Representation of the Noteholders:	[Name and address of the Representative: [●] Name and address of the alternate Representative: [●]]  [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]
Optional Redemption Amount:	[[●] per Note of [●] Specified Denomination]									
Early Redemption Amount:	[[●] per Note of [●] Specified Denomination]									
Yield (in respect of Fixed Rate Notes):	[●]									
Representation of the Noteholders:	[Name and address of the Representative: [●] Name and address of the alternate Representative: [●]]  [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]									
<b>C.10</b>	<b><i>If the security has a derivative component in the interest payment, provide clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s), especially under the circumstances when the risks are most evident</i></b>	Not Applicable. Payments of interest on the Notes will not involve any derivative component.								
<b>C.11</b>	<b><i>Whether the Notes issued are or will be the object of an application for admission to trading, with a view to their distribution in</i></b>	<p>Application may be made for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and/or on any other Regulated Market in the EEA in accordance with the Prospectus Directive and/or any other market. Some Series of Notes may not be admitted to trading on a regulated or equivalent market.<sup>18</sup></p> <p>[[Not Applicable, the Notes are not admitted to trading on any Regulated Market]/ [Application has been made]/[Application will be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange / [●]] with effect from [●].]</p>								

<sup>18</sup>

Delete this paragraph when drafting an issue specific summary.



	<i>a regulated market or in equivalent market</i>	
--	---	--

<b>Section D – Risks</b>		
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer</b>	<p><b>Risks factors linked to the Issuer include the following:</b></p> <ul style="list-style-type: none"> <li>- the Issuer has sole liability under the Notes, notably the Issuer is the only entity with the obligation to pay principal and interest in respect of the Notes;</li> <li>- the Issuer has entered into agreements with and relies on third parties, notably but not limitatively, for the management of its operations and the recovery of assets, the hedging of its obligations under certain Notes and the provision of liquidity. The Issuer also has appointed AXA Bank Belgium as servicer under the Facility Documents and the Purchase Documents. The failure of third parties to perform their duties may affect the Issuer’s ability to perform its own obligations under the Notes;</li> <li>- the Issuer may, without the prior consent of the Noteholders, choose to enter into transactions other than those provided for in the Programme documents and raise resources other than the Notes, benefiting from, or not, the <i>Privilège</i>, which could adversely affect the financial position of the Issuer;</li> <li>- insolvency laws in France could limit the ability of the Noteholders to enforce their rights under the Notes, in particular the Issuer filing for bankruptcy will not give rise to the right to declare the Notes immediately due and payable because of the <i>sociétés de crédit foncier</i> legal framework which provides derogations to the French bankruptcy legal framework;</li> <li>- some risks may exist in relation to the implementation in France of the Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms and the application of the Regulation (EU) 806/2014 providing for the establishment of uniform rules and uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism and a single resolution fund. In particular, the application of any resolution measure or any suggestion of such application with respect to the Issuer could materially adversely affect the rights of the Noteholders for the part of their rights which exceeds and is not covered by the value of the cover pool security, although there are some exemptions benefiting to <i>obligations foncières</i> with respect to resolution measures consisting in conversion or write-down of liabilities;</li> <li>- the Issuer is subject to legal and regulatory changes that could materially affect the Issuer’s business or the value of its assets;</li> <li>- the Issuer must at all times comply with a cover ratio provided by the regulatory framework applicable to <i>sociétés de crédit foncier</i>.</li> </ul> <p><b>Risks factors linked to the Issuer's activities include the following:</b></p> <p><b><i>Risks related to the Loans, the Collateral Security and the Loan security</i></b></p> <ul style="list-style-type: none"> <li>- the Issuer is exposed to the occurrence of credit risk in relation to the debtors under the Loans;</li> <li>- the Issuer has relied solely on the representations and warranties given by AXA Bank Belgium regarding the Loans, the related Loan security or as to the status and/or the creditworthiness of the debtors of the Loans;</li> </ul>

		<ul style="list-style-type: none"> <li>- the Noteholders will only receive a limited description of the Loans sold or pledged to the Issuer;</li> <li>- the Issuer is exposed to changes to lending criteria of AXA Bank Belgium;</li> <li>- upon enforcement of the Collateral Security and the Loan security, the Issuer is exposed, to the risk of non-payment by the security provider of amounts due under the relevant Collateral Security and the Loan security;</li> <li>- certain Loans are only partially secured by a mortgage and require a mortgage mandate to be converted into a mortgage;</li> <li>- the failure to maintain the status as mobilisation institution under the Belgian Act of 3 August 2012 on various measures to facilitate the mobilisation of receivables in the financial sector may result in the Issuer not benefiting from mortgages enforceable <i>vis-à-vis</i> third parties or may restrict its ability to exercise its rights under the mortgages;</li> <li>- some of the Loan security interests (such as the assignment of salary or of insurance proceeds as collateral) may not be effective under Belgian law;</li> </ul> <p><b><i>Risks relating to the Facility Documents and the Purchase Documents</i></b></p> <ul style="list-style-type: none"> <li>- the relevant Loans and Loan security will be sold or granted as collateral security (as applicable) without notification or information of the underlying debtors. As long as no such notification has taken place, any payments made by any debtor (or those of any third providers of Loan security) under the relevant Loans will continue to be validly made by such debtors to AXA Bank Belgium, even though title to such Loans would have been validly transferred to the Issuer;</li> <li>- notwithstanding the pledge or the transfer to the Issuer of the relevant Loans and related Loan security, as long as the debtors are not notified of such transfer, the debtors under the relevant Loans may be entitled, under certain conditions, to set-off the relevant Loans receivable against a claim they may have <i>vis-à-vis</i> AXA Bank Belgium;</li> <li>- if specific conditions are met under Belgian law, the defence of non-performance may be invoked by a debtor in respect of a Loan which could potentially reduce amounts to be received by the Issuer under the Loans which would have been validly transferred to it;</li> <li>- in the event of a downgrading of the short-term and/or long-term debt of one or more parties to the Programme documents (such as the eligible hedging providers or the servicer under the Collateral Servicing Agreement and the Servicing Agreement) or under certain circumstances described in the Programme documents, leading to the substitution of one or more of these parties pursuant to the terms of the Programme documents, no assurance can be given that a substitute entity will be found;</li> </ul> <p><b><i>Risks relating to the Purchase Documents</i></b></p> <ul style="list-style-type: none"> <li>- the transfer of the Loans under the Purchase Documents may be subject to clawback under Belgian law and be ineffective <i>vis-à-vis</i> the other creditors of AXA Bank Belgium in the event of bankruptcy (<i>faillietverklaring/déclaration de faillite</i>) of AXA Bank Belgium under certain circumstances (such as fraud or transactions during the hardening period);</li> <li>- there is a residual risk that the Belgian tax authorities would successfully claim that interest payments under certain Loans transferred to the Issuer under the Purchase Documents are subject to withholding tax;</li> </ul>
--	--	--

		<p><b><i>Risks relating to the Facility Agreement and the Collateral Security</i></b></p> <ul style="list-style-type: none"> <li>- the Issuer bears the risk relating to AXA Bank Belgium's ability to pay under the Facility Agreement;</li> <li>- the French Collateral Security Agreement and the Belgian Collateral Security Agreement are governed by French and Belgian legal provisions implementing the European Directive on financial collateral arrangements and such French and Belgian legal provisions have not yet been interpreted by French/Belgian judges;</li> <li>- the Collateral Security under the French Collateral Security Agreement is created and perfected in accordance with Article L.211-38 of the French Monetary and Financial Code which provides that: <ul style="list-style-type: none"> <li>- its establishment and enforceability "<i>derive from the transfer of the relevant property and rights, the dispossession of the grantor or their control by the beneficiary or a person acting on his behalf</i>". In the case of a pledge without dispossession, the notion of "control" must be used to determine that the pledge has been established. Although no guarantee can be given under French law as to whether the Issuer has sufficient "control" over the Collateral Security, pursuant to the French Collateral Security Agreement, the Belgian Collateral Security Agreement and the Collateral Servicing Agreement, the Issuer will have specific rights which are aimed at organising a certain level of control over the Collateral Security, being precised that the validity of a pledge under Belgian law is not subject to a "control" requirement;</li> <li>- "<i>the identification of the relevant property and rights, transfer thereof, and dispossession of the grantor or control by the beneficiary must be attestable in writing</i>": in respect of the Collateral Security Agreement, AXA Bank Belgium will have to provide a list of the Loan receivables pledged as Collateral Security to the Issuer;</li> </ul> </li> <li>- the failure to maintain the value of the Collateral Security over the Loans prior to enforcement up to an amount sufficient to cover the Notes may result in the Issuer having insufficient funds to meet its obligations under the Notes;</li> </ul> <p><b><i>Interest rate and currency risks</i></b></p> <ul style="list-style-type: none"> <li>- the Issuer is exposed to interest and currency risks arising from the mismatches between (i) the amounts of principal and interest payable by the Issuer under the Notes and (ii) the currencies in which the Loans transferred to it are denominated and the interest rate conditions applicable to them. In order to mitigate these risks, the Issuer has put in place a hedging strategy;</li> </ul> <p><b><i>Credit risk on bank counterparties</i></b></p> <ul style="list-style-type: none"> <li>- the Issuer is exposed to a credit risk on bank counterparties. In order to mitigate this risk, the Issuer has put in place a hedging strategy consisting in selecting bank counterparties complying with the specific legal requirements applicable to <i>sociétés de crédit foncier</i>;</li> </ul> <p><b><i>Liquidity risk</i></b></p> <ul style="list-style-type: none"> <li>- the Issuer is exposed to liquidity risks consisting in the mismatch between the maturity and amortisation profile of the eligible assets with the repayment profile and maturities of the Notes. The Issuer has put in place some management tools in order to ensure at any time adequate coverage of its liquidity pursuant to the <i>sociétés de crédit foncier</i> legal framework.</li> </ul>
--	--	---

<p><b>D.3</b></p>	<p><i>Key information on the key risks that are specific to the Notes</i></p>	<p>There are certain risk factors which are material for the purpose of assessing the risks related to the Notes issued under the Programme including the following:</p> <ul style="list-style-type: none"> <li>- investment risks: the Notes may not be a suitable investment for all investors;</li> <li>- risks related to the structure of a particular issue of Notes including (i) Notes subject to optional redemption by the Issuer, (ii) Notes subject to optional redemption by the Noteholders, (iii) Fixed Rate Notes, (iv) Floating Rate Notes, (v) Inverse Floating Rate Notes, (vi) Fixed/Floating Rate Notes, (vii) Notes issued at a substantial discount or premium, (viii) Zero Coupon Notes, (ix) Extendible Notes may be redeemed after their initial maturity and (x) Notes linked to a "benchmark" rate or index;</li> <li>- risks related to the Notes generally including (i) modification of the conditions applicable to the Notes, (ii) potential conflicts of interest, (iii) changes of law, (iv) impact of regulatory changes, (v) French insolvency law, (vi) taxation, (vii) absence of gross up obligations, and (viii) the proposed financial transactions tax;</li> <li>- risks related to the market generally including (i) the market value of the Notes, (ii) the fact that no active secondary/trading market for the Notes, (iii) exchange rate risks and exchange controls, (iv) credit ratings may not reflect all risks, (v) the CRD IV package and new capital requirements and (vi) legal investment considerations may restrict certain investments.</li> </ul> <p>[There are certain risk factors which are material for the purpose of assessing the risks related to the Notes issued under the Programme including the following:</p> <ul style="list-style-type: none"> <li>- investment risks: the Notes may not be a suitable investment for all investors;</li> <li>- risks related to the structure of a particular issue of Notes including [(i) Notes subject to optional redemption by the Issuer, (ii) Notes subject to optional redemption by the Noteholders, (iii) Fixed Rate Notes, (iv) Floating Rate Notes, (v) Inverse Floating Rate Notes, (vi) Fixed/Floating Rate Notes, (vii) Notes issued at a substantial discount or premium, (viii) Zero Coupon Notes, (ix) Extendible Notes may be redeemed after their initial maturity and (x) Notes linked to a "benchmark" rate or index];</li> <li>- risks related to the Notes generally including (i) modification of the conditions applicable to the Notes, (ii) potential conflicts of interest, (iii) changes of law, (iv) French insolvency law, (v) taxation, (vi) absence of gross up obligations, and (vii) the proposed financial transactions tax;</li> <li>- risks related to the market generally including (i) the market value of the Notes, (ii) the fact that no active secondary/trading market for the Notes, (iii) exchange rate and exchange controls risks, (iv) credit ratings may not reflect all risks, (v) the implementation of the CRD IV package and new capital requirements and (vi) legal investment considerations may restrict certain investments.</li> </ul> <p>Prospective investors are invited to seek advice from their own advisers as regard to the legal, taxation and related aspects of the Notes before investing in such Notes.]</p>
-------------------	---	--

<i>Section E – Offer</i>		
<p><b>E.2b</b></p>	<p><i>Reasons for the offer and use of</i></p>	<p>The net proceeds of the issue of the Notes will be used for financing the assets of the Issuer in accordance with the provisions of Article L.513-2 of the French Monetary and Financial Code.<sup>19</sup></p>

<sup>19</sup> Delete this paragraph when drafting an issue specific summary.

	<i>proceeds</i>	[[The net proceeds of the issue of the Notes will be used for financing the assets of the Issuer in accordance with the provisions of Article L.513-2 of the French Monetary and Financial Code.]/[Other (to be specified).]]
<b>E.3</b>	<i>Description of the terms and conditions of the offer</i>	Not Applicable. Notes may not be offered to the public in any jurisdiction of the European Union.  There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions notably in Japan, the United States of America, Switzerland and the EEA, including France, Belgium and the United Kingdom.
<b>E.4</b>	<i>Description of any interest that is material to the issue/offer including conflicting interests</i>	Depending on various circumstances and characteristics of a Series of Notes, potential conflicts of interests can arise during the life of the Programme. <sup>20</sup>  [[Not Applicable, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.]/[The Dealer(s) will be paid aggregate commissions equal to [●] per cent. of the nominal amount of the Notes. So far as the Issuer is aware, no other person involved in the issue of the Notes has an interest material to the issue.]]
<b>E.7</b>	<i>Estimated expenses charged to the investor by the Issuer or the offeror</i>	Depending on various circumstances and characteristics of a Series of Notes, expenses can be charged by the Issuer to the investors. <sup>21</sup>  [[Not Applicable. No expenses will be charged to investors.]/[The estimated expenses charged to the investor amount to [●].]]

<sup>20</sup> Delete this paragraph when drafting an issue specific summary.

<sup>21</sup> Delete this paragraph when drafting an issue specific summary.

## RESUME DU PROGRAMME

Les résumés sont constitués d'éléments d'information, qui sont connus sous le nom d'"Eléments". Ces Eléments sont numérotés dans les Sections A – E (A.1 – E.7).

Le présent résumé contient tous les Eléments devant être inclus dans un résumé pour ce type de titres et d'Émetteur. Comme certains Eléments ne sont pas requis, il peut y avoir des écarts dans la séquence de numérotation des Eléments.

Par ailleurs, quand bien même un Élément pourrait devoir être inséré dans le résumé en raison du type de titres et d'Émetteur, il est possible qu'aucune information pertinente ne puisse être donnée à son propos. Dans ce cas, une brève description de l'Élément concerné est incluse dans le résumé avec la mention "Sans objet".

<b>Section A – Introduction et avertissements</b>		
<b>A.1</b>	<b>Avertissement général relatif au résumé</b>	<p>Le présent résumé doit être lu comme une introduction au présent prospectus de base tel que modifié (le "<b>Prospectus de Base</b>").</p> <p>Toute décision d'investir dans les titres qui seront émis dans le cadre du Programme (les "<b>Titres</b>") doit s'appuyer sur un examen exhaustif par l'investisseur du Prospectus de Base dans son ensemble, des documents qui lui sont incorporés par référence, de tous les suppléments y afférents, le cas échéant, et des conditions définitives applicables (les "<b>Conditions Définitives</b>"). Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un État membre (un "<b>État Membre</b>") de l'Espace Economique Européen ("<b>EEE</b>"), l'investisseur plaignant peut, selon la législation nationale de l'État Membre où l'action est engagée, avoir à supporter les frais de traduction de ce Prospectus de Base avant le début de la procédure judiciaire.</p> <p>Aucune action en responsabilité civile ne peut être intentée dans un Etat Membre contre une personne sur la seule base du présent résumé, y compris toute traduction y afférente, excepté si le contenu du résumé est trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base (y compris l'ensemble des documents qui y sont incorporés par référence), ou s'il ne fournit pas, lu en combinaison avec les autres parties du Prospectus de Base (y compris l'ensemble des documents qui y sont incorporés par référence), les informations clés permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</p>
<b>A.2</b>	<b>Consentement de l'Émetteur concernant l'utilisation du Prospectus</b>	<p>Sans objet. L'Émetteur ne donne pas son consentement à l'utilisation du Prospectus de Base, tel que complété par le(s) supplément(s) y afférent(s), et des Conditions Définitives concernées.</p>

<b>Section B – Émetteur</b>		
<b>B.1</b>	<b>Raison sociale et le nom commercial de l'Émetteur</b>	<p>AXA Bank Europe SCF (l' "<b>Émetteur</b>").</p>
<b>B.2</b>	<b>Siège social / forme juridique / législation / pays d'origine de l'Émetteur</b>	<p>AXA Bank Europe SCF est une société anonyme à conseil d'administration de droit français, dûment autorisée à exercer en France en tant qu'établissement de crédit spécialisé avec le statut de société de crédit foncier délivré par l'Autorité de contrôle prudentiel et de résolution.</p> <p>AXA Bank Europe SCF est également dûment enregistrée auprès de l'Autorité des services et marchés financiers en tant que prêteur en crédit hypothécaire (<i>kredietgever in hypothecair krediet</i>) en Belgique avec libre prestation des services.</p> <p>L'Émetteur est soumis aux lois et règlements applicables aux sociétés anonymes, aux établissements de crédit spécialisés et plus particulièrement, aux sociétés de crédit foncier.</p> <p>Le siège social de l'Émetteur est situé au 203/205, rue Carnot, 94138 Fontenay-sous-</p>

		Bois, France.
<b>B.4b</b>	<i>Description de toute tendance connue ayant des répercussions sur l'Émetteur et ses secteurs d'activité</i>	<p>AXA Bank Europe SCF, en qualité d'émetteur d'obligations foncières, opère sur le marché des obligations foncières. Ce marché a montré une forte résilience au cours de [depuis ] la crise financière de 2008. L'action de la Banque Centrale Européenne par le biais de son programme d'achat (CBPP3) a contribué à maintenir une certaine stabilité du marché européen des obligations garanties mais les incertitudes qui entourent la fin de ce programme affectent les volumes d'émissions et les écarts (<i>spreads</i>).</p> <p>Plus généralement, les régulateurs et législateurs français et européens sont susceptibles de prendre, à tout moment, des mesures nouvelles ou différentes qui pourraient impacter de manière significative l'Émetteur ou le système financier dans son ensemble. Dans ce contexte, la Commission Européenne a publié le 12 mars 2018 une proposition de directive sur l'émission des obligations garanties afin d'établir un cadre juridique permettant une harmonisation du marché des obligations garanties au sein de l'Union Européenne. La proposition de directive comprend notamment des règles relatives à l'émission des obligations garanties, à la commercialisation des obligations garanties en tant qu'"Obligations Garanties Européennes", aux caractéristiques structurantes des obligations garanties (composition de l'actif, dérivés, liquidité...) et supervision des régulateurs. Pour la mise en œuvre de cette directive, la Commission Européenne a publié à la même date une proposition de règlement qui modifierait principalement l'article 129 du règlement (UE) 575/2013 sur les exigences de fonds propres et qui serait susceptible de modifier les règles existantes en matière de surcollatéralisation minimum et de valeurs de remplacement.</p>
<b>B.5</b>	<i>Description du groupe de l'Émetteur et de la place qu'occupe l'Émetteur dans le groupe</i>	<p>L'Émetteur est une filiale d'AXA Bank Belgium (anciennement dénommée AXA Bank Europe), une société anonyme de droit belge (<i>naamloze vennootschap</i>), autorisée à exercer en tant qu'établissement de crédit par la Banque Centrale Européenne.</p> <p>L'Émetteur avait été initialement créé pour le refinancement de prêts immobiliers hypothécaires (soit en acquérant directement les créances découlant de ces prêts immobiliers hypothécaires, soit indirectement par la souscription de titres adossés à des prêts immobiliers hypothécaires (<i>residential mortgage backed securities</i> ou "<b>RMBS</b>") émis par Royal Street NV/SA ("<b>Royal Street</b>"), une société d'investissement en créances institutionnelle de droit belge (SIC). L'objet de Royal Street était d'acquérir les créances liées à des prêts immobiliers hypothécaires originés par AXA Bank Belgium qui avaient été sélectionnés de telle sorte que lesdits prêts immobiliers hypothécaires et les créances y relatives seraient conformes notamment aux critères d'éligibilité décrits à l'article L.513-2 du Code Monétaire et financier. Toutefois, les RMBS pourront uniquement être refinancés dans la limite de 10% de la valeur nominale des obligations foncières (soit les Titres) à compter du 1<sup>er</sup> janvier 2018.</p> <p>L'objet principal de l'Émetteur est désormais de refinancer de prêts immobiliers hypothécaires, soit en acquérant directement les créances découlant de ces prêts immobiliers hypothécaires, soit indirectement en acquérant des actifs qui sont éligibles conformément au régime légal français applicable aux sociétés de crédit foncier tel que décrit à l'Élément B.15.</p> <p>AXA Bank Belgium est un membre du groupe AXA qui est un acteur mondial important et qui vise à devenir le leader de son secteur principal d'activités : la "Protection Financière". La Protection Financière comprend l'offre à ses clients – particuliers, ainsi que petites et moyennes entreprises – d'une large gamme de produits et de services répondant à leurs besoins en matière d'assurance, de couverture, d'épargne, de retraite et de financement tout au long de leur vie.</p>
<b>B.9</b>	<i>Prévision ou estimation du bénéfice (le cas)</i>	Sans objet. L'Émetteur ne fournit aucune prévision ni estimation de son bénéfice.

<b>B.10</b>	<i>échéant)</i> <b>Description de la nature des éventuelles réserves sur les informations financières historiques contenues dans le rapport d'audit</b>	Sans objet. Il n'existe aucune réserve dans tout rapport d'audit éventuel relatif aux informations financières historiques mentionnées dans le Prospectus de Base.																																																			
<b>B.12</b>	<b>Sélection d'informations financières historiques clés</b>	<p>Les tableaux ci-dessous présentent une sélection des informations financières extraites (i) des états financiers audités de l'Émetteur pour les périodes respectives du 1<sup>er</sup> janvier 2016 au 31 décembre 2016, et du 1<sup>er</sup> janvier 2017 au 31 décembre 2017, et (ii) les états financiers semestriels de l'Émetteur pour les périodes de six mois prenant fin, respectivement, au 30 juin 2017 et au 30 juin 2018 respectivement, ayant fait l'objet d'une revue limitée des commissaires aux comptes :</p> <p>Données Financières Annuelles Comparées (<i>en milliers d'euros</i>)</p> <table border="1" data-bbox="528 770 1433 1397"> <thead> <tr> <th>Compte de résultat</th> <th>2017</th> <th>2016</th> </tr> </thead> <tbody> <tr> <td>Produit net bancaire</td> <td>21 667</td> <td>25 284</td> </tr> <tr> <td>Résultat brut d'exploitation</td> <td>16 711</td> <td>22 403</td> </tr> <tr> <td>Résultat net</td> <td>12 203</td> <td>14 844</td> </tr> <tr> <td><b>Bilan</b></td> <td><b>31/12/2017</b></td> <td><b>31/12/2016</b></td> </tr> <tr> <td>Total bilan</td> <td>6 882 591</td> <td>4 828 003</td> </tr> <tr> <td>Capitaux propres</td> <td>138 971</td> <td>126 768</td> </tr> <tr> <td>Dettes subordonnées (AT1)</td> <td>125 954</td> <td>0</td> </tr> <tr> <td>Dettes représentées par un titre</td> <td>5 666 770</td> <td>4 175 297</td> </tr> </tbody> </table> <p>Données Financières Intermédiaires Comparées (<i>en milliers d'euros</i>)</p> <table border="1" data-bbox="528 1518 1433 2076"> <thead> <tr> <th>Compte de résultat</th> <th>1 janvier au 30 juin 2108</th> <th>1 janvier au 30 juin 2017</th> </tr> </thead> <tbody> <tr> <td>Produit net bancaire</td> <td>8 841</td> <td>15 573</td> </tr> <tr> <td>Résultat brut d'exploitation</td> <td>5 165</td> <td>14 070</td> </tr> <tr> <td>Résultat net</td> <td>3 993</td> <td>10 334</td> </tr> <tr> <td><b>Bilan</b></td> <td><b>30/06/2018</b></td> <td><b>30/06/2017</b></td> </tr> <tr> <td>Total bilan</td> <td>6 926 845</td> <td>7 023 055</td> </tr> <tr> <td>Capitaux propres</td> <td>162 963</td> <td>137 102</td> </tr> <tr> <td>Dettes subordonnées (AT1)</td> <td>125 943</td> <td>0</td> </tr> </tbody> </table>	Compte de résultat	2017	2016	Produit net bancaire	21 667	25 284	Résultat brut d'exploitation	16 711	22 403	Résultat net	12 203	14 844	<b>Bilan</b>	<b>31/12/2017</b>	<b>31/12/2016</b>	Total bilan	6 882 591	4 828 003	Capitaux propres	138 971	126 768	Dettes subordonnées (AT1)	125 954	0	Dettes représentées par un titre	5 666 770	4 175 297	Compte de résultat	1 janvier au 30 juin 2108	1 janvier au 30 juin 2017	Produit net bancaire	8 841	15 573	Résultat brut d'exploitation	5 165	14 070	Résultat net	3 993	10 334	<b>Bilan</b>	<b>30/06/2018</b>	<b>30/06/2017</b>	Total bilan	6 926 845	7 023 055	Capitaux propres	162 963	137 102	Dettes subordonnées (AT1)	125 943	0
Compte de résultat	2017	2016																																																			
Produit net bancaire	21 667	25 284																																																			
Résultat brut d'exploitation	16 711	22 403																																																			
Résultat net	12 203	14 844																																																			
<b>Bilan</b>	<b>31/12/2017</b>	<b>31/12/2016</b>																																																			
Total bilan	6 882 591	4 828 003																																																			
Capitaux propres	138 971	126 768																																																			
Dettes subordonnées (AT1)	125 954	0																																																			
Dettes représentées par un titre	5 666 770	4 175 297																																																			
Compte de résultat	1 janvier au 30 juin 2108	1 janvier au 30 juin 2017																																																			
Produit net bancaire	8 841	15 573																																																			
Résultat brut d'exploitation	5 165	14 070																																																			
Résultat net	3 993	10 334																																																			
<b>Bilan</b>	<b>30/06/2018</b>	<b>30/06/2017</b>																																																			
Total bilan	6 926 845	7 023 055																																																			
Capitaux propres	162 963	137 102																																																			
Dettes subordonnées (AT1)	125 943	0																																																			



		Dettes représentées par un titre	5 681 179
			5 679 440
	<b>Déclaration relative au changement défavorable significatif</b>	Aucun changement défavorable significatif dans les perspectives de l'Émetteur n'a eu lieu depuis la date de ses états financiers annuels audités les plus récents au 31 décembre 2017.	
	<b>Changement significatif de la situation financière et commerciale</b>	Sans objet. Il n'est survenu aucun changement significatif de la situation financière et commerciale de l'Émetteur depuis la date de ses états financiers intermédiaires les plus récents au 30 juin 2018.	
<b>B.13</b>	<b>Description de tout événement récent propre à l'Émetteur et présentant un intérêt significatif pour l'évaluation de sa solvabilité</b>	<p><b>Exercice de l'option de remboursement anticipé sur les obligations foncières de la série 16 le 10 octobre 2018</b></p> <p>Le 10 octobre 2018, l'Émetteur a exercé son option d'achat sur les obligations foncières à taux variable pour un montant de 250 000 000 € à échéance au 23 mars 2027 qui ont fait l'objet d'une extension au 31 mars 2028 sous la forme d'obligations foncières à taux variable (soit les obligations foncières de Série 16).</p> <p><b>Remboursement anticipé d'un billet à ordre hypothécaire émis par AXA Banque</b></p> <p>Le 10 octobre 2018, le billet à ordre hypothécaire de 260 000 000 € à échéance au 23 mars 2027 émis par AXA Banque et souscrit le 23 mars 2017 par AXA Bank Europe SCF a fait l'objet d'un remboursement par anticipation de la part d'AXA Banque.</p> <p><b>Exercice de l'option de remboursement anticipé sur les obligations foncières de la série 9 le 7 novembre 2018</b></p> <p>Le 7 novembre 2018, l'Émetteur a exercé son option d'achat sur les obligations foncières à taux variable pour un montant de 400 000 000 € à échéance au 18 novembre 2019 qui ont fait l'objet d'une extension au 18 novembre 2020 sous la forme d'obligations foncières à taux variable (soit les obligations foncières de Série 9).</p> <p><b>Remboursement anticipé d'un billet à ordre hypothécaire émis par AXA Banque</b></p> <p>Le 7 novembre 2018, le billet à ordre hypothécaire de 450 000 000 € à échéance au 18 novembre 2019 émis par AXA Banque et souscrit le 18 novembre 2014 par AXA Bank Europe SCF a fait l'objet d'un remboursement par anticipation de la part d'AXA Banque.</p>	
<b>B.14</b>	<b>Déclaration concernant la dépendance de l'Émetteur à l'égard d'autres entités du groupe</b>	<p>Voir Élément B.5. L'Émetteur est une filiale d'AXA Bank Belgium.</p> <p>L'Émetteur dépend de tiers ayant accepté d'exercer des prestations de services pour son compte. A ce titre, l'Émetteur a conclu des contrats avec AXA Bank Belgium et AXA Banque (selon le service concerné) pour les activités suivantes, entre autres :</p> <ul style="list-style-type: none"> <li>- la gestion de ses opérations et le recouvrement d'actifs conformément aux dispositions de l'article L.513-15 du Code monétaire et financier ;</li> <li>- la gestion de ses risques et de ses services en vue de satisfaire les exigences réglementaires de l'Émetteur en sa qualité d'établissement de crédit spécialisé ;</li> <li>- la couverture de ses engagements au titre de certaines Souches de Titres ; et</li> <li>- l'apport de liquidités.</li> </ul> <p>Voir Élément B.15 pour une description de la relation contractuelle qui existe entre</p>	

		l'Émetteur et les entités du groupe AXA.
<b>B.15</b>	<i>Description des principales activités de l'Émetteur</i>	<p>Conformément à l'article L.513-2 du Code monétaire et financier qui définit l'objet exclusif des sociétés de crédit foncier et à l'article 2 des statuts de l'Émetteur, l'objet social exclusif de l'Émetteur consiste en la poursuite, tant en France qu'à l'étranger, des activités et opérations suivantes :</p> <ul style="list-style-type: none"> <li>- consentir des prêts ou opérations assimilées dans les conditions définies par les règles applicables aux sociétés de crédit foncier et dans les limites de l'autorisation qui lui a été accordée ;</li> <li>- financer des opérations de crédit dans les conditions définies par les règles applicables aux sociétés de crédit foncier au travers de l'émission d'obligations foncières ou toute autre forme d'emprunt ; et</li> <li>- conduire toute activité auxiliaire expressément autorisée par la réglementation applicable aux sociétés de crédit foncier pour la réalisation exclusive de son objet social.</li> </ul> <p>L'objet principal de l'Émetteur est de refinancer de prêts immobiliers hypothécaires, soit en acquérant directement les créances découlant de ces prêts immobiliers hypothécaires, soit indirectement en acquérant des actifs qui sont éligibles conformément au régime légal français applicable aux sociétés de crédit foncier tel que décrit ci-dessous.</p> <p>Afin de financer de telles opérations, l'Émetteur peut émettre à tout moment des obligations foncières bénéficiant du Privilège (ou contracter d'autres formes d'emprunts bénéficiant du Privilège), mais aussi émettre des obligations ordinaires ou faire appel à d'autres sources de financement ne bénéficiant pas dudit Privilège.</p> <p style="text-align: center;"><i>1. Financement des Avances au titre des Documents de Prêt</i></p> <p>Le produit issu de l'émission des Titres peut être utilisé par l'Émetteur pour le financement d'avances de fonds (chacune, une "<b>Avance</b>") à AXA Bank Belgium au titre du contrat de crédit (le "<b>Contrat de Crédit</b>"), lesdites Avances étant garanties par un nantissement, en faveur de l'Émetteur, des créances de Prêts (la "<b>Garantie</b>"), conformément (i) aux articles L. 211-36 à L. 211-40 du Code monétaire et financier (la "<b>Convention de Sûreté Française</b>") et (ii) à l'article 4 de la loi belge du 15 décembre 2004 relative aux sûretés financières (la "<b>Convention de Sûreté Belge</b>").</p> <p>En lien avec la Garantie, l'Émetteur et AXA Bank Belgium ont conclu une convention de gestion des sûretés de droit français (la "<b>Convention de Gestion des Sûretés</b>") et, ensemble avec le Contrat de Crédit, la Convention de Sûreté Française et la Convention de Sûreté Belge, faisant partie des "<b>Documents de Prêt</b>") précisant les modalités au titre desquelles (i) l'Émetteur nomme AXA Bank Belgium en qualité de "gestionnaire" en ce qui concerne la gestion et le recouvrement des créances des Prêts et (ii) AXA Bank Belgium exerce le contrôle sur lesdites créances de Prêts pour le compte de l'Émetteur.</p> <p style="text-align: center;"><i>2. Achat des Prêts au titre des Documents d'Achat</i></p> <p>Le produit issu de l'émission des Titres peut être utilisé par l'Émetteur pour l'achat des créances de Prêts auprès d'AXA Bank Belgium en vertu d'une convention de cession des prêts hypothécaires (la "<b>Convention de Cession des Prêts</b>" ou "<b>MLSA</b>").</p> <p>En lien avec l'acquisition des créances de Prêts auprès d'AXA Bank Belgium au titre du MLSA, l'Émetteur et AXA Bank Belgium ont conclu une convention de gestion de droit belge (la "<b>Convention de Gestion</b>" et ensemble avec le MLSA, faisant partie des "<b>Documents d'Achat</b>") précisant les modalités au titre desquelles (i) l'Émetteur nomme AXA Bank Belgium en qualité de "gestionnaire" des créances de Prêts et (ii) l'Émetteur définit les pouvoirs et les responsabilités du gestionnaire et de l'administrateur.</p>

		<p align="center"><i>3. Souscription des billets à ordre hypothécaires</i></p> <p>Le produit issu de l'émission des Titres peut être utilisé par l'Émetteur pour la souscription de billets à ordre hypothécaires émis par AXA Banque, l'objet de ces derniers étant de refinancer les créances découlant de prêts immobiliers originés par AXA Banque. AXA Banque est responsable de la gestion et de la conservation de ces créances de Prêt. AXA Banque sous-traite la gestion et la conservation desdites créances à Crédit Foncier de France.</p>
<b>B.16</b>	<i>Mesure dans laquelle l'Émetteur est directement ou indirectement détenu ou contrôlé</i>	A la date des présentes, 99,99% du capital social de l'Émetteur est détenu par AXA Bank Belgium.
<b>B.17</b>	<i>Notation attribuée à l'Émetteur ou à ses titres d'emprunt</i>	<p>Il est prévu que les Titres émis dans le cadre du Programme soient notés Aaa par Moody's Investors Service Ltd ("<b>Moody's</b>").</p> <p>A la date du présent Prospectus de Base, Moody's est établie dans l'Union Européenne et immatriculée conformément au Règlement (CE) n°1060/2009 du Parlement Européen et du Conseil en date du 16 septembre 2009, tel que modifié (le "<b>Règlement CRA</b>"), et inscrite sur la liste des agences de notation publiée par l'Autorité Européenne des Marchés Financiers sur son site (<a href="https://www.esma.europa.eu/supervision/credit-rating-agencies/risk">https://www.esma.europa.eu/supervision/credit-rating-agencies/risk</a>). Une notation de crédit ne constitue aucunement une recommandation d'acheter, de vendre ou de détenir des titres et peut faire l'objet à tout moment d'une suspension, d'un changement ou d'un retrait par l'agence de notation qui l'a attribuée sans préavis.</p> <p>[[Sans objet. Les Titres ne font pas l'objet d'une notation.]/[Les Titres à émettre [ont été/devraient être] notés [●] par [●].]]</p>

### *Section C – Valeurs mobilières*

<b>C.1</b>	<i>Nature, catégorie et numéro d'identification des Titres</i>	<p>Les Titres émis dans le cadre du Programme sont des obligations foncières bénéficiant du Privilège (priorité de droit de paiement).</p> <p>Les Titres peuvent être distribués sur une base syndiquée ou non syndiquée.<sup>1</sup></p> <p><i>[Nature et catégorie des Titres]</i> [Les Titres seront émis sur une base [syndiquée / non syndiquée], sous la Souche n°[●], Tranche n° [●].]</p> <p>Les Titres seront émis sous forme [Dématérialisée/Matérialisée].</p> <p>Le dépositaire central est : [Euroclear France]/[●] Le dépositaire commun est : [●]</p> <p><i>Numéro d'identification des Titres</i> Le numéro d'identification des Titres à émettre (code ISIN) est : [●]. Le code commun des Titres à émettre est : [●].]</p>
<b>C.2</b>	<i>Devise</i>	<p>Sous réserve du respect de toutes les lois, réglementations et directives applicables, les Titres pourront être émis, entre autres, en euros, en dollars US, en livres sterling, en yens et en francs suisses ou dans toute autre monnaie ayant cours légal.<sup>2</sup></p> <p>[La monnaie d'émission est : [●].]</p>
<b>C.5</b>	<i>Description de</i>	Sans objet. Il n'y a pas de restriction à la libre négociabilité des Titres (sous réserve

<sup>1</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>2</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

	<i>toute restriction imposée à la libre négociabilité des Titres</i>	de l'application de restrictions de vente dans certains pays ou territoires y compris aux Etats-Unis, en Belgique, en France, en Grande Bretagne, en Suisse et au Japon/(spécifier autres)).
C.8	<i>Description des droits attachés aux Titres, y compris leur rang et toute restriction qui leur est applicable</i>	<p><b>Prix d'émission</b><sup>3</sup> Les Titres peuvent être émis soit au pair, soit avec une décote ou avec une prime par rapport à leur valeur nominale. Le prix d'émission sera déterminé au moment de l'émission des Titres concernés.</p> <p><b>Valeur nominale</b><sup>4</sup> Les Titres seront émis à la ou aux valeur(s) nominale(s) qui auront été convenue(s) entre l'Émetteur et le/les Agent(s) Placeur(s) concerné(s), sous réserve que tous les Titres soient admis à la négociation sur un marché réglementé au sens de la Directive 2014/65/UE du Parlement européen et du Conseil du 15 mai 2014 concernant les marchés d'instruments financiers (telle que modifiée à tout moment) (chacun de ces marchés étant un "<b>Marché Réglementé</b>") dans des circonstances exigeant la publication d'un prospectus conformément à la Directive Prospectus pour une valeur nominale de 1 000 euros au minimum (ou l'équivalent dans une autre devise à la date de l'émission) ou de tout montant supérieur susceptible d'être autorisé ou exigé de temps à autre pour la Devise de Référence concernée.</p> <p>Les Titres ayant une maturité de moins d'un an dont les produits de l'émission sont acceptés au Royaume-Uni constitueront des dépôts pour les besoins de l'application de l'interdiction de l'acceptation des dépôts visée à la section 19 du <i>Financial Services and Markets Act</i> de 2000 à moins qu'ils ne soient émis auprès d'une catégorie limitée d'investisseurs professionnels et qu'ils n'aient une valeur nominale d'au moins 100 000 £ ou équivalente.</p> <p>Conformément au <i>Luxembourg Act</i> du 10 juillet 2005 relatif au prospectus pour valeurs mobilières portant transposition de la Directive Prospectus, les prospectus pour la cotation d'instruments du marché monétaire dont l'échéance à l'émission est inférieure à 12 mois et qui répondent également à la définition des valeurs mobilières ne sont pas soumis aux dispositions relatives à l'approbation de la CSSF et ne doivent pas être soumis à celles-ci.</p> <p>Les Titres Dématérialisés n'auront qu'une seule valeur nominale d'émission.</p> <p><b>Statut des Titres et Privilège</b> Les Titres seront émis conformément aux articles L.513-2 à L.513-27 du Code monétaire et financier. Les Porteurs de Titres bénéficient du Privilège, sur tous les actifs et revenus de l'Émetteur.</p> <p>Le principal et les intérêts des Titres (et, le cas échéant, tous coupons ou reçus) constitueront des engagements directs, inconditionnels, non subordonnés et privilégiés de l'Émetteur, qui viennent et viendront au même rang, <i>pari passu</i>, sans aucune préférence entre eux et égaux et venant au même rang que tous les autres titres présents ou futurs (y compris les Titres d'autres Séries) et à toute autre ressource recueillie par l'Émetteur et bénéficiant du Privilège.</p> <p><b>Maintien des Titres à leur rang</b> Sans objet. Aucune clause de maintien des Titres à leur rang ne s'applique.</p> <p><b>Cas de défaut</b> Sans objet. Les Modalités des Titres ne contiennent pas de dispositions relatives à des cas de défaut.</p> <p><b>Assimilation</b> Sans l'approbation des Porteurs de Titres ou des porteurs de reçus ou de coupons,</p>

<sup>3</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>4</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

		<p>l'Émetteur pourra à tout moment créer et émettre de nouveaux Titres, qui feront l'objet d'une assimilation avec les Titres existants, sous réserve que tous ces Titres s'accompagnent de droits identiques à tous égards (ou identiques à tous égards sauf concernant le premier paiement d'intérêts), et que les modalités applicables à ces Titres prévoient une telle assimilation.</p> <p><b>Fiscalité</b> Tous les remboursements de principal ou paiements d'intérêts par ou pour le compte de l'Émetteur au titre des Titres seront effectués nets et exempts de toute retenue ou prélèvement au titre de toute taxe, droit, impôt ou prélèvement public de toute nature, imposée, prélevée, collectée ou retenue à la source ou incluse dans le paiement par la France ou sur le territoire français, ou par toute autorité française ou de France ayant le pouvoir de lever un impôt, à moins qu'une telle retenue ou déduction ne soit prescrite par la loi.</p> <p>Si une quelconque loi ou accord conclu avec les services fiscaux américains (<i>U.S. Internal Revenue Service (IRS)</i>) en vertu de la loi américaine FATCA (<i>Foreign Account Tax Compliance Act</i>) ou tout accord intergouvernemental mettant en œuvre FATCA exige que de tels paiements soient soumis à des déductions ou des retenues à la source, l'Émetteur ne sera pas tenu de payer les montants additionnels en relation avec une telle déduction ou retenue à la source.</p> <p><b>Droit applicable</b> Les Titres (et, le cas échéant, les reçus, les coupons et les talons en lien avec les Titres) sont régis par, et devront être interprétés conformément aux, dispositions du droit français.</p> <p><b>[Prix d'émission</b> Le prix d'émission des Titres s'élève à [●] % du Montant Nominal Total [plus un montant correspondant aux intérêts courus à compter du [●] (s'il y a lieu)].</p> <p>Valeur Nominale Unitaire : [●]]</p>
C.9	<b>Intérêts, échéance et modalités de remboursement, rendement et représentation des Porteurs</b>	<p>Se reporter également aux informations fournies au point C.8 ci-dessus.</p> <p><b>Taux d'intérêt nominal<sup>5</sup></b> Les Titres peuvent être des "<b>Titres à Taux Fixe</b>", des "<b>Titres à Taux Variable</b>", des "<b>Titres à Taux Fixe/Variable</b>", les "<b>Titres à Taux Variable Inversés</b>" ou des "<b>Titres à Zéro Coupon</b>".</p> <p><b>Date d'exigibilité et date d'échéance des intérêts<sup>6</sup></b> La date d'exigibilité et la date d'échéance des intérêts applicables à chaque émission de Titres seront stipulées pour chaque émission de Titres.</p> <p><b>Description du sous-jacent sur lequel est calculé le taux si celui-ci n'est pas fixe<sup>7</sup></b> Sans objet ; les intérêts, le cas échéant, seront à taux fixe, ou à taux variable ou encore à un taux qui varie pendant la durée de la Tranche concernée.</p> <p><b>Titres à Taux Fixe<sup>8</sup></b> Les intérêts à taux fixe seront payables à terme échu à la date ou aux dates concernée(s) de chaque année.</p> <p><b>Titres à Taux Variable<sup>9</sup></b> Les Titres à Taux Variable porteront intérêt déterminé de façon différente pour chaque Série, comme suit :</p>

<sup>5</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>6</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>7</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>8</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>9</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

	<ul style="list-style-type: none"> <li>- sur la même base que le taux variable applicable à une opération d'échange de taux d'intérêt notionnel dans la Devise de Référence applicable, conformément à la Convention-Cadre FBF relative aux opérations sur instruments financiers à terme de juin 2013, tel que publié par la Fédération Bancaire Française, ou, selon le cas, à un contrat incluant les Définitions ISDA 2006, telles que publiées par l'<i>International Swaps and Derivatives Association, Inc.</i>, ou</li> <li>- sur la base d'un taux de référence tel qu'il apparaît sur une page écran convenue d'un service de cotation commercial (y compris, sans caractère limitatif, EURIBOR, EONIA, LIBOR ou EURO CMS) ;</li> </ul> <p>dans chaque cas, tel qu'ajusté à la hausse ou à la baisse en fonction des marges applicables, le cas échéant. Les Titres à Taux Variable pourront aussi avoir un taux d'intérêt maximum, un taux d'intérêt minimum, ou les deux à la fois.</p> <p>Sauf indication contraire dans les Conditions Définitives, le taux d'intérêt minimum soit le taux d'intérêt pertinent plus toute marge concernée, sera réputé être égal à zéro.</p> <p><b>Titres à Taux Fixe/Variable<sup>10</sup></b>  Les Titres à Taux Fixe/Variable porteront intérêt à un taux (i) que l'Émetteur peut décider de convertir à une date spécifique d'un Taux Fixe à un Taux Variable, ou d'un Taux Variable à un Taux Fixe ou (ii) qui passera automatiquement d'un Taux Fixe à un Taux Variable ou d'un Taux Variable à un Taux Fixe à une date spécifique.</p> <p><b>Titres à Taux Variable Inversés<sup>11</sup></b>  Les Titres à Taux Variable Inversés porteront intérêt à un Taux Fixe moins un Taux Variable.</p> <p><b>Titres Zéro Coupon<sup>12</sup></b>  Des Titres Zéro Coupon pourront être émis pour leur montant nominal ou avec une décote et ne porteront pas intérêt.</p> <p><b>Date d'échéance et modalités d'amortissement de l'émission, y compris procédures de remboursement<sup>13</sup></b>  Sous réserve du respect de toutes les lois, réglementations et directives applicables, les Titres pourront être émis pour toute échéance (la "<b>Date d'Echéance Finale</b>"), sous réserve de la durée minimum éventuellement requise par les dispositions légales et/ou réglementaires applicables. Une date d'échéance finale prolongée (la "<b>Date d'Echéance Finale Prolongée</b>") pourra être spécifiée pour la Souche de Titres concernée ("<b>Titres à Date de Maturité Extensible</b>").</p> <p><b>Remboursement à la date d'échéance<sup>14</sup></b>  Sous réserve des lois et règlements applicables de temps à autre, les montants des remboursements dus pour chaque Titre seront son montant en principal ou tout autre montant supérieur à ce dernier (le "<b>Montant de Remboursement Final</b>").</p> <p><b>Remboursement optionnel<sup>15</sup></b>  Certaines Souches de Titres peuvent être remboursées (en totalité ou en partie) avant la date d'échéance prévue au gré de l'Émetteur et/ou des Porteurs et, si tel est le cas, selon les modalités applicables à ce remboursement.</p> <p><b>Remboursement anticipé<sup>16</sup></b>  Sous réserve du paragraphe "Remboursement optionnel" ci-dessus, les Titres</p>
--	--

<sup>10</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>11</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>12</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>13</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>14</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>15</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>16</sup> Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

		<p>pourront faire l'objet d'un remboursement avant leur date de maturité au gré de l'Émetteur uniquement pour illégalité (tel que prévu dans la Modalité 6(j) des "Modalités des Titres").</p> <p><b>Rendement</b><sup>17</sup>  Pour chaque émission de Titres à Taux Fixe, une indication sur le rendement applicable sera fournie si les Titres sont détenus jusqu'à leur maturité. Cette mention ne constitue aucunement une indication de rendement futur.</p> <p><b>Représentants des Porteurs de Titres</b>  Les Porteurs de Titres seront groupés automatiquement, au titre de toutes les Tranches d'une même Souche, pour la défense de leurs intérêts communs en une masse (la "<b>Masse</b>") régie par les articles L. 228-46 et suivants du Code de commerce tels que complétés par les Modalités des Titres.</p> <p>Aussi longtemps que les Titres seront détenus par un seul Porteur de Titres, le Porteur de Titres exercera lui-même tous les droits et obligations des Porteurs de Titres au travers des décisions collectives conformément aux dispositions du Code de commerce. L'Émetteur devra tenir un registre des décisions prises par le Porteur unique et devra mettre le registre à disposition de tout Porteur à sa demande.</p> <p>Les Titres sont des [Titres à Taux Fixe/Titres à Taux Variable/Titres à Taux Fixe/Variable/ Titres à Zéro Coupon/Titres à Taux Variable Inversé].</p> <p><b><u>Date d'exigibilité et date d'échéance des intérêts</u></b></p> <table border="1" data-bbox="528 981 1422 1659"> <tr> <td data-bbox="528 981 879 1536">Taux d'Intérêts :</td> <td data-bbox="879 981 1422 1536"> [Taux Fixe [●] %]   [Taux Variable [●] +/- [●] %]   [Taux Fixe/Variable :  Taux Fixe [●] %  Taux Variable [●] +/- [●] %  Date de changement de Base d'Intérêt : [●]]   [Zéro Coupon]   [Titres à Taux Variable Inversé :  Taux Fixe : [●] % par an  Taux Variable : [●]  Base d'Intérêt : [●]  Marge: [Sans objet]/[A spécifier]  Taux d'intérêt maximal ou minimal: [Sans objet]/[A spécifier]] </td> </tr> <tr> <td data-bbox="528 1536 879 1599">Date(s) de Paiement des Intérêts :</td> <td data-bbox="879 1536 1422 1599">[●] de chaque année</td> </tr> <tr> <td data-bbox="528 1599 879 1659">Date de Commencement des Intérêts :</td> <td data-bbox="879 1599 1422 1659">[Date d'Emission/[●]]</td> </tr> </table> <p><b><u>Echéances</u></b></p> <table border="1" data-bbox="528 1753 1422 2029"> <tr> <td data-bbox="528 1753 879 1906">Date d'Echéance :</td> <td data-bbox="879 1753 1422 1906">[Préciser la date ou (pour les Titres à Taux Variable) la Date de Paiement des Intérêts tombant le ou le plus près du mois et de l'année concernés]</td> </tr> <tr> <td data-bbox="528 1906 879 2029">[Date d'Echéance Prolongée :</td> <td data-bbox="879 1906 1422 2029">Si le Montant de Remboursement Final n'est pas payé à la Date d'Echéance, ledit paiement de ce montant impayé sera reporté et deviendra du et exigible le [●], sous réserve que le</td> </tr> </table>	Taux d'Intérêts :	[Taux Fixe [●] %]  [Taux Variable [●] +/- [●] %]  [Taux Fixe/Variable : Taux Fixe [●] % Taux Variable [●] +/- [●] % Date de changement de Base d'Intérêt : [●]]  [Zéro Coupon]  [Titres à Taux Variable Inversé : Taux Fixe : [●] % par an Taux Variable : [●] Base d'Intérêt : [●] Marge: [Sans objet]/[A spécifier] Taux d'intérêt maximal ou minimal: [Sans objet]/[A spécifier]]	Date(s) de Paiement des Intérêts :	[●] de chaque année	Date de Commencement des Intérêts :	[Date d'Emission/[●]]	Date d'Echéance :	[Préciser la date ou (pour les Titres à Taux Variable) la Date de Paiement des Intérêts tombant le ou le plus près du mois et de l'année concernés]	[Date d'Echéance Prolongée :	Si le Montant de Remboursement Final n'est pas payé à la Date d'Echéance, ledit paiement de ce montant impayé sera reporté et deviendra du et exigible le [●], sous réserve que le
Taux d'Intérêts :	[Taux Fixe [●] %]  [Taux Variable [●] +/- [●] %]  [Taux Fixe/Variable : Taux Fixe [●] % Taux Variable [●] +/- [●] % Date de changement de Base d'Intérêt : [●]]  [Zéro Coupon]  [Titres à Taux Variable Inversé : Taux Fixe : [●] % par an Taux Variable : [●] Base d'Intérêt : [●] Marge: [Sans objet]/[A spécifier] Taux d'intérêt maximal ou minimal: [Sans objet]/[A spécifier]]											
Date(s) de Paiement des Intérêts :	[●] de chaque année											
Date de Commencement des Intérêts :	[Date d'Emission/[●]]											
Date d'Echéance :	[Préciser la date ou (pour les Titres à Taux Variable) la Date de Paiement des Intérêts tombant le ou le plus près du mois et de l'année concernés]											
[Date d'Echéance Prolongée :	Si le Montant de Remboursement Final n'est pas payé à la Date d'Echéance, ledit paiement de ce montant impayé sera reporté et deviendra du et exigible le [●], sous réserve que le											

<sup>17</sup>

Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

		<p>Montant de Remboursement Final impayé à la Date d'Echéance puisse être payé par l'Émetteur à toute Date de Paiement des Intérêts Déterminée postérieure et ce, jusqu'à la Date d'Echéance Prolongée (incluse).]</p>	<p>Montant de Remboursement Final impayé à la Date d'Echéance puisse être payé par l'Émetteur à toute Date de Paiement des Intérêts Déterminée postérieure et ce, jusqu'à la Date d'Echéance Prolongée (incluse).]</p>
		<b><u>Remboursement</u></b>	
		Montant de Remboursement Final de chaque Titre :	[[●] par Titre d'une Valeur Nominale Unitaire de [●]]
		Remboursement Echelonné :	[[●] (montant de chaque versement, date à laquelle le versement doit être effectué)] / [Sans Objet].
		<b><u>Remboursement anticipé</u></b>	
		Option d'Achat :	[Oui/Non]
		Option de Vente :	[Oui/Non]
		Montant de Remboursement Optionnel :	[[●] par Titre de [●] Valeur Nominale Indiquée]
		Montant de Remboursement Anticipé :	[[●] par Titre de [●] Valeur Nominale Indiquée]
		<b><u>Rendement à maturité</u></b>	
		Rendement (en ce qui concerne les Titres à Taux Fixe) :	[●]
		<b><u>Représentation des Porteurs de Titres</u></b>	
		Représentation des Porteurs de Titres :	<p>[Nom et adresse du Représentant : [●] Nom et adresse du Représentant remplaçant : [●]]</p> <p>[Le(s) Représentant(s) désigné(s) ne recevra/recevront aucune rémunération / Le(s) Représentant(s) désigné(s) recevront une rémunération de [●]].</p>
C.10	<p><i>Lorsque le paiement des intérêts produits par la valeur émise est lié à un (des) instrument(s) dérivé(s), fournir des explications claires et exhaustives de nature à permettre aux investisseurs de comprendre comment la</i></p>	<p>Sans objet. Le paiement des intérêts sur les Titres n'est lié à aucun instrument dérivé.</p>	



	<i>valeur de leur investissement est influencée par celle du ou des instrument(s) sous-jacent(s), en particulier dans les cas où le risque est le plus évident</i>	
<b>C.11</b>	<i>Si les Titres offerts font ou feront l'objet d'une demande d'admission à la négociation, en vue de leur distribution sur un marché réglementé ou sur des marchés équivalents</i>	<p>Une demande pourra être présentée pour l'admission des Titres à la négociation sur le Marché Réglementé de la Bourse de Luxembourg et/ou sur tout autre Marché Réglementé de l'EEE conformément à la Directive Prospectus et/ou sur tout autre marché. Certaines Souches de Titres pourront ne pas être admise à la négociation sur un Marché Réglementé ou son équivalent.<sup>18</sup></p> <p>[[Sans objet, les Titres ne sont pas admis aux négociations sur un Marché Réglementé.]/[Une demande a été faite]/[Une demande sera faite] par l'Émetteur (ou au nom et pour le compte de l'Émetteur) en vue de l'admission des Titres à la négociation sur [le Marché Réglementé de la Bourse de Luxembourg / [●]] à compter de [●].]</p>

<b>Section D – Risques</b>		
<b>D.2</b>	<i>Informations clés concernant les principaux risques propres à l'Émetteur</i>	<p><b>Les facteurs de risques liés à l'Émetteur incluent notamment le fait que :</b></p> <ul style="list-style-type: none"> <li>- l'Émetteur assume la responsabilité exclusive des Titres, notamment l'Émetteur est la seule entité débitrice du paiement du principal et des intérêts en vertu des Titres ;</li> <li>- l'Émetteur a conclu des accords et s'appuie sur des tiers, notamment mais de manière non limitative, pour la gestion de ses opérations et le recouvrement des actifs, la couverture de ses obligations en vertu de certains Titres et la fourniture de liquidité. L'Émetteur a également nommé AXA Bank Belgium en qualité de gestionnaire au titre des Documents de Prêt et des Documents d'Achat. Le manquement de ces tiers d'exécuter leurs obligations pourrait nuire à la capacité de l'Émetteur d'exécuter ses propres obligations en vertu des Titres ;</li> <li>- l'Émetteur peut, sans le consentement préalable des Porteurs de Titres, décider de conclure d'autres transactions, autres que celles prévues dans les documents du Programme et recourir à des ressources autres que les Titres, bénéficiant ou non du Privilège, qui pourraient affecter la position financière de l'Émetteur ;</li> <li>- les lois françaises en matière de solvabilité pourraient restreindre la capacité des Porteurs de Titres à faire valoir leurs droits en vertu des Titres, en particulier l'ouverture d'une procédure collective à l'initiative de l'Émetteur ne donnera pas le droit de déclarer l'exigibilité anticipée immédiate des Titres en raison du régime légal applicables aux sociétés de crédit foncier qui prévoit une dérogation au régime légal français des procédures collectives ;</li> <li>- certains risques peuvent exister en relation avec la transposition en France de la directive 2014/59/UE sur le redressement et la résolution des établissements de crédit et des entreprises d'investissement et de l'application du règlement (UE) n°806/2014 établissant des règles et une procédure uniforme pour la résolution des établissements de crédit et de certaines entreprises d'investissement dans le cadre d'un mécanisme de résolution unique et d'un fonds de résolution bancaire unique. En</li> </ul>

<sup>18</sup>

Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

		<p>particulier, l'application d'une mesure de résolution ou la suggestion d'une telle application à l'Émetteur pourrait nuire aux droits des Porteurs de Titres pour la part de leurs droits qui excède et qui n'est pas couverte par la valeur des actifs remis en garantie, bien qu'il existe quelques exemptions bénéficiant aux obligations foncières concernant les mesures de résolution impliquant des mesures de conversion ou d'abandon de dettes ;</p> <ul style="list-style-type: none"> <li>- l'Émetteur est exposé au risque de modifications législatives et réglementaires qui pourraient affecter son activité ou la valeur de ses actifs ;</li> <li>- l'Émetteur doit à tout moment se conformer au ratio de couverture prévu par la réglementation applicable aux sociétés de crédit foncier.</li> </ul> <p><b>Les facteurs de risque liés aux activités de l'Émetteur incluent notamment :</b></p> <p><b><i>Risques liés aux Prêts, à la Garantie et aux sûretés relatives aux Prêts</i></b></p> <ul style="list-style-type: none"> <li>- l'Émetteur supporte un risque de crédit dépendant de la capacité des débiteurs à payer au titre des Prêts ;</li> <li>- l'Émetteur s'appuie uniquement sur les déclarations et garanties données par AXA Bank Belgium en ce qui concerne les Prêts, les sûretés relatives aux Prêts ou quant au statut et à la solvabilité des débiteurs des Prêts;</li> <li>- les Porteurs de Titres ne recevront qu'une description limitée des Prêts cédés ou nantis en faveur de l'Émetteur ;</li> <li>- l'Émetteur est exposé aux modifications des critères de crédit d'AXA Bank Belgium ;</li> <li>- après la mise en œuvre de la Garantie et des sûretés garantissant les Prêts, l'Émetteur est exposé au risque de non-paiement par le gestionnaire des sûretés des sommes exigibles au titre de ladite Garantie et desdites sûretés garantissant les Prêts ;</li> <li>- certains Prêts sont garantis en partie seulement par une hypothèque et nécessitent un mandat hypothécaire afin d'être convertis en hypothèque ;</li> <li>- en cas d'incapacité de l'Émetteur à maintenir son statut d'organisme de mobilisation conformément à la loi belge, du 3 août 2012 sur les différentes mesures pour faciliter la mobilisation d'actifs dans le secteur financier, l'Émetteur ne bénéficierait plus du caractère opposable des hypothèques vis-à-vis de tiers ou sa capacité à exercer ses droits au titre des hypothèques serait limitée ;</li> <li>- certaines des garanties relatives aux Prêts (telles que la cession de salaire ou d'indemnités d'assurance à titre de garantie) peuvent ne pas être valables en droit belge ;</li> </ul> <p><b><i>Risques liés aux Documents de Prêt et aux Documents d'Achat</i></b></p> <ul style="list-style-type: none"> <li>- les Prêts et garanties relatives aux Prêts concernés seront cédés ou octroyés sous la forme de sûretés (selon le cas) sans notification ou information préalable auprès des débiteurs sous-jacents. Aussi longtemps qu'une telle notification n'a pas été effectuée, tous les paiements effectués par un quelconque débiteur (ou un prestataire tierce des Sûretés) au titre desdits Prêts continueront d'être effectués de manière valide par ce/ces dernier(s) au bénéfice d'AXA Bank Belgium, même si le titre desdits Prêts a été transféré à l'Émetteur de manière effective ;</li> <li>- nonobstant le nantissement ou le transfert des Prêts et garanties relatives aux Prêts concernés au bénéfice de l'Émetteur, aussi longtemps que les débiteurs</li> </ul>
--	--	---

		<p>ne seront pas notifiés d'un tel transfert, ces derniers pourront au titre des Prêts concernés, et sous certaines conditions, procéder à la compensation desdits Prêts pour tout demande qu'ils pourraient avoir à l'encontre d'AXA Bank Belgium ;</p> <ul style="list-style-type: none"> <li>- si des conditions spécifiques sont satisfaites au regard de la loi belge, un débiteur peut invoquer l'exception d'inexécution au titre d'un Prêt ce qui pourrait réduire potentiellement les montants perçus par l'Émetteur pour les Prêts qui ont fait l'objet d'un transfert valide en sa faveur ;</li> <li>- en cas de dégradation de la dette à court terme et/ou à long terme d'une ou plusieurs parties aux documents du Programme (tels que les fournisseurs de couverture éligibles ou le gestionnaire de créances au titre de la Convention de Gestion des Sûretés et de la Convention de Gestion) ou dans certaines conditions décrites dans les documents du Programme, menant à la substitution d'une ou plusieurs parties conformément aux termes des documents du Programme, aucune assurance ne peut être donnée sur le fait qu'une entité de substitution sera trouvée ;</li> </ul> <p><b>Risques liés aux Documents d'Achat</b></p> <ul style="list-style-type: none"> <li>- le transfert des Prêts dans le cadre des Documents d'Achat peut être soumis aux règles de restitution en droit belge et peut être inopposable vis-à-vis des autres créanciers d'AXA Bank Belgium en cas de déclaration de faillite (<i>faillietverklaring</i>) d'AXA Bank Belgium dans certaines circonstances (tel qu'en cas de fraude ou de transactions effectuées pendant la période suspecte) ;</li> <li>- il existe un risque résiduel que les autorités fiscales belges demandent avec succès que les paiements d'intérêts au titre de certains Prêts transférés à l'Émetteur en vertu des Documents d'Achat soient soumis à une retenue à la source ;</li> </ul> <p><b>Risques liés au Contrat de Crédit et à la Garantie</b></p> <ul style="list-style-type: none"> <li>- l'Émetteur porte le risque relatif à la capacité de paiement d'AXA Bank Belgium au titre du Contrat de Crédit ;</li> <li>- la Convention de Sûreté Française et la Convention de Sûreté Belge sont régies respectivement par les dispositions légales françaises et belges qui transposent la directive européenne sur les contrats de garantie financière et ces dispositions légales n'ont pas encore été interprétées par les juges français et belges ;</li> <li>- la Garantie au titre de la Convention de Sûreté Française est constituée et s'applique conformément à l'article L.211-38 du Code monétaire et financier qui stipule que : <ul style="list-style-type: none"> <li>- sa constitution et son caractère opposable "<i>résultent du transfert des biens et droits en cause, de la dépossession du constituant ou de leur contrôle par le bénéficiaire ou par une personne agissant pour son compte</i>" : dans le cas d'un nantissement sans dépossession, la notion de "contrôle" doit être utilisée pour déterminer si le nantissement a été établi. Bien qu'aucune garantie ne peut être donnée en droit français sur le fait que l'Émetteur exerce un "contrôle" suffisant sur la Garantie, aux termes de la Convention de Sûreté Française, la Convention de Sûreté Belge et la Convention de Gestion des Sûretés, l'Émetteur bénéficiera de droits spécifiques dont le but est l'organisation d'un certain niveau de contrôle sur la Garantie ; étant précisé que la validité d'un nantissement en droit belge n'est pas soumise à une exigence de "contrôle" ;</li> </ul> </li> </ul>
--	--	---

		<ul style="list-style-type: none"> <li>- "l'identification des biens et droits en cause, leur transfert, la dépossession du constituant ou le contrôle par le bénéficiaire doivent pouvoir être attestés par écrit" : dans le cas de la Convention de Sûreté Française, AXA Bank Belgium devra fournir une liste des créances de Prêts nanties en tant que Garantie en faveur de l'Émetteur ;</li> <li>- le défaut de maintenir la valeur de la Garantie portant sur les Prêts avant réalisation à un montant suffisant pour couvrir les Titres peut conduire l'Émetteur à ne pas avoir les fonds suffisants pour satisfaire ses obligations de paiement relatives aux Titres ;</li> </ul> <p><b>Risques liés aux taux d'intérêts et aux taux de change</b></p> <ul style="list-style-type: none"> <li>- l'Émetteur peut être exposé à des risques de taux d'intérêt et de change provoqués par les décalages entre (i) les montants en principal et en intérêt payables par l'Émetteur en vertu des Titres et (ii) les devises des Prêts qui lui sont transférés et les conditions de taux d'intérêt qui leur sont applicables. Pour atténuer ces risques, l'Émetteur a mis en place une stratégie de couverture ;</li> </ul> <p><b>Risque de crédit lié aux contreparties bancaires</b></p> <ul style="list-style-type: none"> <li>- l'Émetteur est exposé à des risques de crédit sur les contreparties bancaires. Pour atténuer ce risque, l'Émetteur a mis en place une stratégie de couverture consistant dans la sélection de contreparties bancaires satisfaisant aux exigences légales spécifiques applicables aux sociétés de crédit foncier ;</li> </ul> <p><b>Risques de liquidité</b></p> <ul style="list-style-type: none"> <li>- l'Émetteur est exposé à des risques de liquidité consistant dans le décalage entre la maturité et le profil d'amortissement des actifs éligibles avec le profil de remboursement et les maturités des Titres. L'Émetteur a mis en place des outils de gestion afin d'assurer à tout moment la couverture adéquate de sa liquidité au regard du régime légal applicable aux sociétés de crédit foncier.</li> </ul>
D.3	<p><b>Informations clés concernant les principaux risques propres aux Titres</b></p>	<p>Il existe certains facteurs de risques importants pour évaluer les risques relatifs aux Titres émis dans le cadre du Programme, notamment :</p> <ul style="list-style-type: none"> <li>- les risques d'investissement : les Titres peuvent ne pas être un investissement approprié pour tous les investisseurs ;</li> <li>- les risques liés à la structure d'une émission particulière de Titres, incluant (i) les Titres faisant l'objet d'une option de remboursement par l'Émetteur, (ii) les Titres faisant l'objet d'une option de remboursement par les Porteurs de Titres, (iii) les Titres à Taux Fixe, (iv) les Titres à Taux Variable, (v) les Titres à Taux Variable Inversé, (vi) les Titres à Taux Fixe/Variable, (vii) les Titres émis en dessous du pair ou assortis d'une prime d'émission importante, (viii) Les Titres à Coupon Zéro, (ix) les Titres à Date de Maturité Extensible pouvant faire l'objet d'un remboursement après leur date d'échéance initiale et (x) les Titres adossés à un taux de "référence" ou un indice ;</li> <li>- les risques généraux liés aux Titres incluant (i) la modification des modalités applicables aux Titres, (ii) les conflits d'intérêts potentiels, (iii) des changements de la loi, (iv) la loi française sur la solvabilité, (v) la fiscalité, (vi) l'absence d'obligation de majoration de paiement, et (vii) le projet de taxe sur les transactions financières ;</li> <li>- les risques généraux liés au marché incluant (i) la valeur de marché des</li> </ul>

		<p>Titres, (ii) l'absence de marché secondaire actif pour les Titres (iii) les risques de taux de change et de contrôles des échanges, (iv) les notations de crédit ne reflétant pas tous les risques, (v) la mise en œuvre du paquet CRD IV et les nouvelles exigences en matière de fonds propres, et (vi) le fait que des considérations juridiques tenant à l'investissement puissent restreindre certains investissements.</p> <p>[[Il existe certains facteurs de risques qui sont importants afin d'évaluer les risques relatifs aux Titres émis dans le cadre du Programme, notamment :</p> <ul style="list-style-type: none"> <li>- les risques d'investissement : les Titres peuvent ne pas être un investissement approprié pour tous les investisseurs ;</li> <li>- les risques liés à la structure d'une émission particulière de Titres, incluant [(i) les Titres faisant l'objet d'une option de remboursement par l'Émetteur, (ii) les Titres faisant l'objet d'une option de remboursement par les Porteurs de Titres, (iii) les Titres à Taux Fixe, (iv) les Titres à Taux Variable, (v) les Titres à Taux Variable Inversé, (vi) les Titres à Taux Fixe/Variable, (vii) les Titres émis en dessous du pair ou assortis d'une prime d'émission, (viii) Les Titres à Coupon Zéro, (ix) les Titres à Date de Maturité Extensible pouvant faire l'objet d'un remboursement après leur date d'échéance initiale et (x) les Titres adossés à un taux de "référence" ou un indice] ;</li> <li>- les risques généraux liés aux Titres incluant (i) la modification des modalités applicables aux Titres, (ii) les conflits d'intérêts potentiels, (iii) des changements de la loi, (iv) la loi française sur la solvabilité, (v) la fiscalité, (vi) l'absence d'obligation de majoration de paiement, et (vii) le projet de taxe sur les transactions financières ;</li> <li>- les risques généraux liés au marché incluant (i) la valeur de marché des Titres, (ii) l'absence de marché secondaire actif pour les Titres (iii) les risques de taux de change et de contrôles des échanges, (iv) les notations de crédit ne reflétant pas tous les risques, (v) la mise en œuvre du paquet CRD IV et les nouvelles exigences en matière de fonds propres, et (vi) le fait que des considérations juridiques tenant à l'investissement puissent restreindre certains investissements.</li> </ul> <p>Les investisseurs potentiels sont invités à consulter leurs propres conseillers quant aux aspects juridiques, fiscaux ou connexes des Titres avant de procéder à un quelconque investissement dans ces derniers.]</p>
--	--	---

<b>Section E – Offre</b>		
<b>E.2b</b>	<b>Raisons de l'Offre et utilisation du produit de l'Offre</b>	<p>Le produit net de l'émission des Titres sera destiné au financement des actifs de l'Émetteur conformément aux dispositions de l'article L.513-2 du Code monétaire et financier.<sup>19</sup></p> <p>[[Le produit net de l'émission des Titres sera utilisé pour le financement des actifs de l'Émetteur conformément aux dispositions de l'article L.513-2 du Code monétaire et financier.]/[Autre (à préciser)].]</p>
<b>E.3</b>	<b>Description des modalités et les conditions de l'offre</b>	<p>Sans objet. Les Titres ne pourront pas faire l'objet d'une offre au public dans toute juridiction de l'Union Européenne.</p> <p>Il existe des restrictions concernant l'offre et la vente des Titres ainsi que la diffusion des documents d'offre dans certains pays comme le Japon, les Etats-Unis d'Amérique, la Suisse et l'EEE, notamment en France, en Belgique et au Royaume-Uni.</p>
<b>E.4</b>	<b>Description de tout intérêt, y</b>	<p>En fonction de certaines circonstances et caractéristiques d'une Souche de Titres, des conflits d'intérêts potentiels peuvent survenir au cours de la vie du Programme.<sup>20</sup></p>

<sup>19</sup>

Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

	<i>compris les intérêts conflictuels, pouvant influencer sensiblement sur l'émission/l'offre</i>	[[Sans objet, à la connaissance de l'Émetteur, aucune personne participant à l'émission des Titres n'y a d'intérêt significatif.]/[Le ou les Agent(s) Placeur(s) percevra/percevront des commissions d'un montant de [●]% du montant en principal des Titres. A la connaissance de l'Émetteur, aucune autre personne participant à l'émission des Titres n'y a d'intérêt significatif.]]
<b>E.7</b>	<i>Donner une estimation des dépenses facturées à l'investisseur par l'Émetteur ou l'offreur</i>	En fonction de certaines circonstances et caractéristiques d'une Souche de Titres, des dépenses peuvent être facturées aux investisseurs par l'Émetteur. <sup>21</sup>  [[Sans objet. Aucune dépense ne sera facturée à l'investisseur.]/[Les dépenses estimées facturées à l'investisseur est de [●].]]

<sup>20</sup>

Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

<sup>21</sup>

Supprimer le paragraphe lors de la rédaction du résumé spécifique de l'émission.

**PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS**

AXA Bank Europe SCF (the "**Responsible Person**") accepts responsibility for the information contained or incorporated by reference in this Base Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

AXA Bank Europe SCF  
203/205, rue Carnot  
94138 Fontenay-sous-Bois  
France

Duly represented by Philippe Colpin  
in its capacity as Chief Executive Officer (*Directeur Général*) of the Issuer

## **RISK FACTORS**

**Prospective purchasers of Notes offered hereby should consider carefully, in light of their financial circumstances and investment objectives, all of the information in this Base Prospectus and, in particular, the risk factors below in making an investment decision.**

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

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

*Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Notes prior to investing in Notes issued under the Programme.*

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

*The Issuer considers that the Notes will only be subscribed for or purchased by investors which are (or are advised by) financial institutions or other professional investors who have sufficient knowledge and experience to appropriately evaluate the risks associated with the Notes.*

*The order in which the following risk factors are presented, is not an indication of the likelihood of their occurrence.*

*Words and expressions defined in the section entitled "Glossary of Defined Terms" or elsewhere in this Base Prospectus will have the same meanings when used below.*

### **1. RISK FACTORS RELATING TO THE ISSUER**

#### **1.1 Sole liability of the Issuer under the Notes**

The Issuer is the only entity which has obligations to pay principal and interest in respect of the Notes. The Notes will not be obligations of any other entity, including (but not limited to) AXA Bank Belgium or any other company in the same group, or the shareholders, or the Permanent Dealers (as defined in Section entitled "Subscription and Sales") or directors or agents of any company in the same group of companies.

In making an investment decision, investors must rely upon their own examination of the Issuer, its assets (mainly composed of mortgage promissory notes issued by AXA Banque, the Advances granted to AXA Bank Belgium secured by pledged Loans as Collateral Security under the Facility Documents or purchased under the Purchase Documents), the Terms and Conditions of the Notes issued under the Programme and the financial information incorporated in this Base Prospectus.

#### **1.2 Reliance of the Issuer on third parties**

Since the Issuer has no human resources, the Issuer has entered into agreements with a number of third parties, which have agreed to perform services for the Issuer, in particular for the management of its operations and the recovery of assets, the hedging of its obligations under certain Series of Notes and the provision of liquidity (see "Relationship between AXA Bank Europe SCF and AXA Group Entities").

The Issuer also has appointed AXA Bank Belgium as Servicer in order to service (i) the Collateral Security Assets under the Facility Agreements (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Servicing Agreement) and (ii) the Loans purchased under the Purchase Documents (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Servicing Agreement). In addition, AXA Banque sub-contracts to Crédit Foncier de France the servicing and custody of the French residential loan receivables refinanced under the mortgage promissory notes issued by



AXA Banque and subscribed by the Issuer. The Issuer benefits from this arrangement by a third party benefit mechanism (*stipulation pour autrui*).

In the event that any party providing services to the Issuer fails to perform its obligations under the relevant agreement(s) to which it is a party, the ability of the Issuer to make payments under the Notes may be affected. However, the relevant agreements provide for the ability of the Issuer under certain circumstances to terminate the appointment of any relevant third party which would be defaulting in performing their obligations under the relevant agreements.

### 1.3 Other activities

The Issuer may, without the prior consent of the Noteholders, chose to enter into transactions other than those provided for in the Programme Documents and raise resources (whether or not benefiting from the statutory *Privilège* set out under Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*)) other than the Notes, which could adversely affect the financial position of the Issuer, provided that, as a *société de crédit foncier*, the types of activities which the Issuer may undertake are limited by law (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier*").

### 1.4 Risk relating to French insolvency laws

The Issuer, as a *société anonyme*, is subject to French laws and proceedings affecting creditors (including conciliation proceedings (*procédure de conciliation*), safeguard proceedings (*procédure de sauvegarde*), accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*), accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) and judicial reorganisation or liquidation proceedings (*procédure de redressement ou de liquidation judiciaires*)).

The Issuer, as a specialised credit institution (*établissement de crédit spécialisé*), is also subject to the provisions of Articles L.613-25 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*). These provisions include *inter alia* specific rules on the opening of an insolvency proceeding against the Issuer, the involvement of the *Autorité de contrôle prudentiel et de résolution* in the event of bankruptcy of the Issuer, specific concepts of suspension of payment (*cessation des paiements*) for the Issuer and some specific rules of liquidation for the Issuer.

As a general principle, the above mentioned insolvency and reorganisation rules favour the continuation of a business and protection of employment over the payment of creditors.

However, the Issuer, as a *société de crédit foncier*, benefits from a regime which derogates in many ways from the French legal provisions relating to insolvency proceedings, including:

- (i) in accordance with Article L.513-18 of the French Monetary and Financial Code (*Code monétaire et financier*), the provisions of Article L.632-2 of the French Commercial Code (*Code de commerce*) (*nullités facultatives de la période suspecte*) are not applicable to contracts executed by a *société de crédit foncier*, or to legal transactions in favour of a *société de crédit foncier*, as far as such contracts or transactions are directly related to the transactions referred to in Article L. 513-2 of the French Monetary and Financial Code (*Code monétaire et financier*);
- (ii) in accordance with Article L.513-20 of the French Monetary and Financial Code (*Code monétaire et financier*), the *procédure de sauvegarde, de redressement ou de liquidation judiciaires* of a shareholder of the Issuer cannot be extended to the Issuer;
- (iii) in accordance with Article L.513-21 of the French Monetary and Financial Code (*Code monétaire et financier*), any service/loan agreement pursuant to which the Issuer has delegated to another credit institution or financing company (*société de financement*) the management or the recovery of loans, exposures, assimilated receivables, securities, instruments, bonds or other sources of financing (in accordance with in accordance with Article L.513-15 of the French Monetary and Financial Code (*Code monétaire et financier*)) may be immediately terminated upon the opening of bankruptcy proceedings (*procédure de sauvegarde, de sauvegarde financière accélérée, de sauvegrade accélérée, de redressement ou de liquidation judiciaires*) affecting such credit institution or financing company (*société de financement*);
- (iv) pursuant to Article L.513-11, 2. of the French Monetary and Financial Code (*Code monétaire et financier*), in case of *procédure de sauvegarde, procédure de redressement ou de liquidation judiciaires* or

conciliation proceedings (*procédure de conciliation*) of the Issuer, all cash flows generated by the assets of the Issuer are allocated as a matter of absolute priority to servicing liabilities of the Issuer which benefit from the *Privilège* (priority right of payment) as they fall due, in preference to all other claims, whether or not secured or statutorily preferred and, until payment in full of the liabilities of the Issuer which benefit from the *Privilège* (priority right of payment), no other creditors may take any action against the assets of the Issuer; and

- (v) pursuant to Article L. 513-11, 3. of the French Monetary and Financial Code (*Code monétaire et financier*), the Notes and the other debt benefiting from the *Privilège* (priority right of payment) shall not become due and payable as a result of the *liquidation judiciaire* of the Issuer.

As a result of the legal framework of *sociétés de crédit foncier*, in the case of an insolvency proceedings in respect of the Issuer, the ability of Noteholders to enforce their rights under the Notes may be limited.

### **1.5 Resolution procedures under the European Bank Recovery and Resolution framework may have an impact on the Issuer' liabilities**

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force on 2 July 2014.

The implementation of the BRRD into French law has been made by three texts of a legislative nature. First, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*loi de separation et de régulation des activités bancaires*) (as modified by the ordonnance dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*)) (the "**Banking Law**") implementing partially the BRRD in anticipation. Secondly, Ordonnance No. 2015-1024 dated 20 August 2015 (*Ordonnance n°2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the "**Ordonnance**") which has introduced various provisions amending (among others, crisis prevention and management measures applicable to credit institutions provided for in Articles L.613-48 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) and supplementing the Banking Law to adapt French law to the BRRD. Thirdly, the *Ordonnance* has been ratified by law No. 2016-1691 dated 9 December 2016 (*Loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD in France.

The powers provided to the authority designated by each EU Member State (the "**Resolution Authority**") in the BRRD and Regulation (EU) No. 806/2014 of the European Parliament and of the Council of the European Union of 15 July 2014 (the "**SRM Regulation**") include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses, and to a certain extent the Notes) absorb losses of the issuing institution under resolution in accordance with a set order of priority (the "**Bail-in Tool**"). The conditions for resolution under the French Monetary and Financial Code (*Code monétaire et financier*) implementing the BRRD, as defined in Article L. 613-49-II of the French Monetary and Financial Code (*Code monétaire et financier*), are deemed to be met when: (i) the Resolution Authority or the relevant supervisory authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure where the conditions for resolution are met, write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in the form defined in Article L. 613-48 III, 3° of the French Monetary and Financial Code (*Code monétaire et financier*)).

The Bail-in Tool could result in the full (i.e., to zero) or partial write-down or conversion into ordinary shares or other instruments of ownership of the Notes, or the variation of the terms of the Notes (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolutions measures, including the Bail-in Tool. Moreover, if the Issuer's

financial condition deteriorates, the existence of the Bail-in Tool could cause the market price or value of the Notes to decline more rapidly than would be the case in the absence of such power. In addition to the Bail-in Tool, the BRRD provides the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

With respect to the *obligations foncières*, the BRRD provides that the Resolution Authority will not exercise the write-down or conversion powers in relation to secured liabilities including covered bonds and liabilities in the form of financial instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to covered bonds, whether they are governed by the law of a Member State or of a third country. Nevertheless, relevant claims for the purposes of the Bail-in Tool would still include the claims of the holders in respect of any Notes issued under the Programme, only if and to the extent that the bond liability exceeded the value of the cover pool collateral against which it is secured.

Before taking a resolution measure or exercising the power to write-down or convert to equity relevant debt instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The application of any resolution measure under the French BRRD implementing provisions, or any suggestion of such application, with respect to the Issuer could materially adversely affect the rights of the Noteholders, the price or value of an investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes, and as a result investors may lose their entire investment.

Noteholders may have only very limited rights to challenge and/or seek a suspension of any decision of the Resolution Authority to exercise its resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise.

## **1.6 Impact of legal and regulatory changes**

The Issuer is subject to financial services law, regulations, administrative actions and policies in each jurisdiction in which it carries on business. Changes in supervision and regulation, in particular in France, could materially affect the Issuer's business, the value of its assets or the Notes.

In this respect, the European Commission published on 12 March 2018 a proposal for a Directive on the issue of covered bonds, the purpose of which is to establish a framework to enable a more harmonised covered bond market in the European Union. The proposed Directive covers in particular requirements for issuing covered bonds, requirements for marketing covered bonds as "European Covered Bonds", structural features of covered bonds (e.g. asset composition, derivatives, liquidity...) and regulatory supervision. For the implementation of the proposed Directive, the European Commission published on the same date a proposed Regulation which would mainly amend Article 129 of Regulation (EU) No 575/2013 (Capital Requirements Regulation) and could amend the existing requirements on minimum overcollateralization (which would be set at 2 % and 5 % depending on the assets in the cover pool, based on a nominal calculation method) and substitution assets. The proposals are currently under discussion in the European Parliament and in the Council. The impact of the new legal and regulatory framework applicable to the covered bonds (including the Notes) cannot yet be fully estimated.

Although the Issuer works closely with its regulators and continually monitors its environment, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

## **1.7 Cover ratio between assets and privileged debts**

According to Articles L.513-12 and R.513-8 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must at all times maintain a cover ratio of at least 105 per cent. of the total amount of their liabilities which benefit from the *Privilège* by the total amount of their assets, including the replacement assets (*valeurs de remplacement*).

Calculation of this cover ratio is set out in Regulation no. 99-10 dated 9 July 1999 issued by the Committee of banking and financial regulation (the *Comité de la réglementation bancaire et financière* or "**CRBF**") related to *sociétés de crédit foncier* and *sociétés de financement de l'habitat* (as amended from time to time, lately by

arrêté of 3 November 2014) (the "**Regulation 99-10 of the CRBF**").

For further descriptions in relation to this cover ratio, see section "Overview of the legislation and regulations relating to *sociétés de crédit foncier* - Cover ratio".

## **2. RISK FACTORS RELATING TO THE ISSUER'S ACTIVITIES**

### **2.1 Risks related to the Loans, the Collateral Security and the Loan Security**

*The risks factors below apply to all Loans and Loan Security purchased by the Issuer in the context of the Purchase Documents or pledged as Collateral Security Assets for the benefit of the Issuer in the context of the Facility Documents.*

#### ***Debtors' ability to pay under the Loans***

The Debtors under the Loans are individuals having borrowed money under the Loans in order to finance residential real estate property located in Belgium.

If, in relation to the Loans purchased in the context of the Purchase Documents or following enforcement of the Collateral Security in the context of the Facility Documents, the Issuer does not receive the full amount due from the Debtors in respect of such Loans, this may affect the ability of the Issuer to make payments under the Notes.

The Issuer may therefore be exposed to the occurrence of credit risk in relation to the Debtors under the Loans. The ability of each Debtor to make timely payment of amounts due under such Loans will mainly depend on its assets and its liabilities as well as its ability to generate sufficient income to make payments under the relevant Loans. Its ability to generate income may be adversely affected by a large number of factors, some of which (i) relate specifically to the borrower itself (including but not limited to their age and health, employment situation, family situation, creditworthiness or expropriation) or (ii) are more general in nature (such as changes in governmental regulations, tax policy, etc.).

However, AXA Bank Belgium is required to (i) maintain a certain value of Loans granted as Collateral Security in favour of the Issuer pursuant to the Collateral Security Agreements (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Asset Cover Test – Calculation of Asset Cover Ratio" for details) and (ii) substitute and/or repurchase the relevant Loans in case of a breach of the relevant Eligibility Criteria (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Eligible Collateral Assets" and "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Mortgage Loan Sale Agreement - Mandatory repurchase in case of breach of representations and warranties and Eligibility Criteria" for details).

#### ***No independent investigation - representations and warranties***

None of the Issuer, the Permanent Dealers, the Administrator or any other party to any Programme Documents has undertaken or will undertake any investigations, searches or other due diligence regarding the Loans and the related Loan Security or the related Collateral Security Asset, or as to the status and/or the creditworthiness of the Debtors of the Loans.

Each of them has relied solely on the representations and warranties given by AXA Bank Belgium as Pledgor under the Collateral Security Agreements and Seller under the Mortgage Loan Sale Agreement.

If any breach of eligibility criteria relating to any Loan is material and (if capable of remedy) is not remedied:

- (a) the Pledgor will be required under the Collateral Security Agreements to provide sufficient Eligible Collateral Assets in order to maintain compliance with the Asset Cover Test (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Asset Cover Test – Calculation of Asset Cover Ratio" for details);
- (b) the Seller will be required to repurchase the relevant Loans in case of a breach (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Mortgage Loan Sale Agreement - Mandatory repurchase in case of breach of representations and warranties and Eligibility Criteria" for details).

Failure to maintain compliance with the Asset Cover Test and/or its cover ratio (see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Cover Ratio" for details) may result in the Issuer having insufficient funds to meet its obligations under the Notes.

#### ***Limited description of the Loans transferred or pledged to the Issuer***

The Noteholders will only receive on a periodical and on a pool basis statistics or information in relation to the Loans or to the Collateral Security Assets, because it is expected that the portfolio of Loans transferred or pledged to the Issuer may constantly change due to, among other things, the Seller / Pledgor assigning or granting security over additional, and/or new Loans.

However, each eligible Loan or the Collateral Security Assets will be required to meet certain eligibility criteria and the provisions applicable to *sociétés de crédit foncier* (see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Eligible assets" for details). In addition, pursuant to Article L.513-23 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must appoint a specific controller (*contrôleur spécifique*) with the approval of the *Autorité de contrôle prudentiel et de résolution* whose task (amongst others) is to ensure that the Issuer complies with the relevant provisions of the French Monetary and Financial Code (*Code monétaire et financier*) and in particular, verifying the eligibility of its assets and the compliance with the cover ratio.

#### ***Changes to the lending criteria of AXA Bank Belgium***

Each of the Loans originated by AXA Bank Belgium will have been originated in accordance with its lending criteria at the time of origination. It is expected that AXA Bank Belgium's lending criteria will generally consider type of financed property, debt-to-income ratio, term of loan, age of applicant, loan-to-value ratio, status of applicants and credit history.

AXA Bank Belgium retains the right to revise its lending criteria from time to time, subject to certain conditions being met under the Collateral Servicing Agreement and the Servicing Agreement. If the lending criteria change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Debtors thereof and may affect the realisable value of the Loans or part thereof transferred to the Issuer under the Purchase Documents or upon enforcement of the Collateral Security under the Collateral Security Agreements, and the ability of the Issuer to make payments under the Notes.

#### ***Enforcement of the Collateral Security and the Loan Security***

If following (i) enforcement of the Collateral Security and/or (ii) transfer of title to the Loans and Loan Security in favour of the Issuer and then notification of the Debtors under such Loans and (iii) enforcement of its rights by the Issuer under the relevant Loan Security against the provider of such Loan Security thereunder, such providers of Loans Security do not pay in whole or in part any amounts due under the relevant Collateral Security or Loan Security for whatever reason (such as difficulties to liquidate properties secured under the Loans efficiently or in a timely manner because of the Belgian legal procedures to be followed in relation to the enforcement of Belgian law governed Mortgages) or do not pay such amounts in a timely manner, this may affect the ability of the Issuer to make payments under the Notes.

#### ***Mortgage Mandates***

Certain Loans are only partially secured by a Mortgage. Generally, where a Loan is only partially secured by a Mortgage, the Debtor of the relevant Loan or a third party provider of Loan Security may have granted a mortgage mandate. A mortgage mandate does not constitute an actual security which creates a priority right of payment out of the proceeds of a sale of the mortgaged property, but is an irrevocable power of attorney granted by a Debtor or a third party provider of a Loan Security to certain attorneys enabling them to create a Mortgage as security for the Loan (a "**Mortgage Mandate**"). Such Mortgage will only become enforceable against third parties upon registration of such Mortgage at the Mortgage Registration Office. The ranking of the Mortgage is based on the date of registration. The registration is dated the day on which the mortgage deed pertaining to the creation of the Mortgage and the "registration extracts" (*borderellen/bordereaux*) are registered at the Mortgage Registration Office. When a Mortgage Mandate is converted into a Mortgage, stamp duties (*registratierechten/droits d'enregistrement*) and other costs will be payable.

The following limitations, amongst others, exist in relation to the conversion of Mortgage Mandates:

- (a) a Debtor or a third party provider of Loan Security that has granted a Mortgage Mandate, may grant a Mortgage to a third party that will rank in priority to the Mortgage to be created pursuant to the conversion of the Mortgage Mandate, although this would generally constitute a breach of the contractual obligations of such Debtor or such third party provider of Loan Security;
- (b) if a conservatory attachment (*bewarend beslag/saisie conservatoire*) or an executory attachment (*uitvoerend beslag/saisie execution*) on the mortgaged asset has been made by a third party creditor of the Debtor, or, as the case may be, of the third party provider of Loan Security, a Mortgage registered pursuant to the exercise of the Mortgage Mandate after the writ of attachment has been recorded at the Mortgage Registration Office, will not be enforceable against such creditor;
- (c) if a Debtor or a third party provider of Loan Security is a merchant or commercial entity, the effectiveness of the Mortgage Mandate can be limited by insolvency laws applicable to such Debtor;
- (d) if the Debtor or the third party provider of Loan Security, as the case may be, is an individual, and started collective debt settlement proceedings, a Mortgage registered at the Mortgage register after the judge has declared the request admissible, is not enforceable against the other creditors; and
- (e) besides the possibility that the Debtor or the third party provider of Loan Security may grant a Mortgage to another lender as referred to above, the Mortgage to be created pursuant to a Mortgage Mandate may also rank after certain legal Mortgages (such as e.g. the legal Mortgage of the Treasury) to the extent these Mortgages are recorded with the Mortgage Registration Office before the exercise of the Mortgage Mandate.

However, for Loans which are partially secured by a Mortgage, only the portion of Loans which are effectively secured by a Mortgage will be taken into account for the calculation of the cover ratio (see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Cover ratio").

#### ***Status as Mobilisation Institution***

The Issuer qualifies as a *mobiliseringinstelling/organisme de mobilisation* (a "**Mobilisation Institution**") under Article 2, 5° c) of the Belgian Act of 3 August 2012 on various measures to facilitate the mobilisation of receivables in the financial sector (*wet betreffende diverse maatregelen ter vergemakkelijking van de mobilisering van schuldvorderingen in de financiële sector / loi relative à des mesures diverses pour faciliter la mobilisation de créances dans le secteur financier*) as amended from time to time (the "**Belgian Mobilisation Act**").

Failure to maintain its status as Mobilisation Institution may impact the position of the Issuer as follows:

- (a) Notarisation and Marginal Notation of transfer or pledge of the Loans

Articles 81quater *et seq.* of the Belgian Act of 16 December 1851 on mortgages (the "**Belgian Mortgage Act**") grant an exemption from Article 5 of the Belgian Mortgage Act in relation to a transfer and pledge of Loans secured by a Mortgage by or to a Mobilisation Institution, so that a transfer or pledge of Loans secured by a Mortgage to the Issuer is enforceable against third parties (*tegenwerpelijk aan derden/opposable aux tiers*) without notarial deed and marginal notation.

Failure to maintain the status as mobilisation institution under Article 2, 5° c) of the Belgian Mobilisation Act may result in the Issuer not benefiting from Mortgages enforceable *vis-à-vis* third parties, which, in relation to the Loans purchased under the Purchase Documents or following enforcement of the Collateral Security under the Collateral Security Agreements, may affect the ability of the Issuer to make payments under the Notes.

- (b) Subordination in respect of All Sums Mortgages

Most of the Loans relate to loans that are secured by a mortgage which is also used to secure all other amounts that a Debtor owes or in the future may owe to the Seller/Pledgor pursuant to Article 81 quinquies of the Belgian Mortgage Act, a so-called "all sums mortgage" (*alle sommen hypotheek/hypothèque pour toutes sommes*) (an "**All Sums Mortgage**").

Pursuant to Article 81 *quinquies* of the Belgian Mortgage Act, a loan secured by an All Sums Mortgage which is transferred to a Mobilisation Institution will rank in priority to any debt which arises after the date

of the transfer/pledge and which is also secured by the same All Sums Mortgage. While the transferred/pledged Loan ranks in priority to further loans, it will have equal ranking with loans or debts which existed at the time of the transfer/pledge and which were secured by the same All Sums Mortgage.

To mitigate any competing claims in respect of Loans secured by All Sums Mortgages, the Mortgage Loan Sale Agreement and the Collateral Security Agreements provide that any loans and debts existing at the time of the transfer/pledge of the Loans and which are secured by the same All Sums Mortgage are subordinated to the Loans in relation to all sums received out of the enforcement of the All Sums Mortgage and any Additional Security. Article 81 *quinquies* of the Belgian Mortgage Act confirms that such subordination arrangements are exempt from notarisation or marginal notation.

Failure to maintain the status as mobilisation institution under Article 2, 5° c) of the Belgian Mobilisation Act may result in the Issuer not benefiting from effective subordination arrangements in respect of loans secured by the same All Sums Mortgages and not transferred or pledged to the Issuer.

(c) Mortgage Mandates

Generally, the benefit of a Mortgage that is created upon a conversion of the Mortgage Mandate in the sole name and for the sole benefit of the Seller/Pledgor after the sale/pledge of the Loan, can most likely not be conferred upon the Issuer as new beneficiary (unless this is specifically provided for in the Mortgage Mandate deed). Art. 81*sexties* of the Belgian Mortgage Act however provides that the benefit of the Mortgage Mandates is automatically transferred to the transferee/pledgee of a Loan covered by such Mortgage Mandate, provided such pledgee or transferee is a Mobilisation Institution.

Failure to maintain the status as mobilisation institution under Article 2, 5° c) of the Belgian Mobilisation Act may result in the Issuer not benefiting from Mortgage Mandates covering transferred/pledged Loans.

(d) Set-off and defence of non-performance

Failure to maintain the status as mobilisation institution under Article 2, 5° c) of the Belgian Mobilisation Act may result in additional grounds for the Debtor to exercise set-off rights or defences of non-performance. See "Set-off by Debtors under Belgian law" and "Defence of Non-Performance under Belgian law" below.

***Effectiveness of the assignment or pledge of certain Additional Security interests***

As an accessory to the sale or pledge of the Loans, the Purchaser/Secured Party will be entitled to the benefit of certain Additional Security interests granted by Debtors to the Seller/Pledgor, such as an assignment of salary and/or insurance proceeds.

The assignment by a Debtor (who is an employee) of its salary is governed by special legislation (Articles 27 to 35 of the Belgian Act of 12 April 1965 on the protection of the salary of employees (*Wet betreffende de bescherming van het loon der werknemers/Loi concernant la protection de la rémunération des travailleurs*) (the "**Belgian Salary Protection Act**"). The Belgian Salary Protection Act provides for specific formalities for a valid assignment of salary, but is silent on possible specific requirements in relation to the purchase or pledge of a Loan that is secured by such assignment of salary.

In the absence of precedents under Belgian law, it is not certain to which extent the Seller/Pledgor can validly assign or pledge the benefit of such assignment of salary by a Debtor to the Issuer. Therefore, there is the risk that the Issuer may not have the benefit of such arrangement in case of insolvency of the Seller/Pledgor, which may adversely impact on the ability of the Issuer to meet its obligations in full to pay interest and principal in respect of the Notes. Moreover:

- (a) a Debtor may have assigned his salary as security for its debts (other than the Loans) and the assignee who first starts actual enforcement of the assignment against the Debtor would have priority over the other assignees; and
- (b) there are arguments to support the view that a transfer of salary in a notarised deed still requires a bailiff notification to be enforceable *vis-à-vis* third parties.

Furthermore, the Seller/Pledgor as mortgagee enjoys statutory protection under Article 10 of the Belgian Mortgage Act and Article 112 of the Insurance Act of 4 April 2014 on insurances (*Wet betreffende de*

*verzekeringen/Loi relative aux assurances*) (the "**Belgian Insurance Act**") pursuant to which any indemnity which third parties (including Insurance Companies) owe for the reason of the destruction of or damage to the mortgaged property will be allocated to the mortgagee-creditors to the extent these indemnities are not used for the reconstruction of the mortgaged property. However, Article 112, §2 of the Belgian Insurance Act provides that the Insurance Company can pay out the indemnity to the insured in case the holder of an unpublished/undisclosed security over the property does not oppose this by prior notification. As the purchase or the pledge of the Loan and the Mortgage to the Issuer will not be noted in the margin of the mortgage register, the question arises to what extent the lack of disclosure of the purchase or the pledge could prejudice the Issuer's rights to such insurance proceeds. Although there are no useful precedents under Belgian law, the purchase or the pledge should not prejudice the Issuer's position because (i) the Mortgage would remain validly registered notwithstanding the purchase or the pledge and (ii) the Issuer would be the assignee and successor of the Seller. Whether the Insurance Company needs to pay to the Seller/Pledgor or to the Issuer would not be of any interest to the Insurance Company.

A notification issue also arises in connection with Article 120, §1 of the Belgian Insurance Act which provides that the Insurance Company cannot invoke any defences which derive from facts arising after the accident has occurred (for instance a late filing of a claim) against mortgagee-creditors the mortgages of whom are known to the Insurance Company. For the same reasons set out above, the Insurance Company should not have a valid interest in disputing the rights of the Issuer. Pursuant to Article 120, §2 of the Belgian Insurance Act:

- (a) the Insurance Company can invoke the suspension, reduction or termination of the insurance coverage only after having given the Seller/Pledgor one month prior notice; and
- (b) if the suspension or termination of the insurance coverage is due to the non-payment of premiums, the Seller/Pledgor has the right to pay the premiums within the one-month notice period and thus avoid the suspension or termination of the insurance coverage.

## **2.2 Risks relating to the Facility Documents and the Purchase Documents**

### ***No prior notification to Debtors under the Loans purchased by the Issuer or pledged to its benefit as Collateral Security***

The Mortgage Loan Sale Agreement and the Collateral Security Agreements will provide that the relevant Loans and Loan Security will be sold or granted as collateral security (as applicable) without notification or information of the underlying Debtors.

Such Debtors will only be notified upon the occurrence of a Notification Event under the Mortgage Loan Sale Agreement (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Mortgage Loan Sale Agreement – Notification Events") and the Collateral Security Agreements (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Notification Events"). As long as no such notification has taken place, any payments made by any Debtor (or those of any third providers of Loan Security) under the relevant Loans will continue to be validly made by such Debtors to the Seller/Pledgor, even though title to such Loans would have been validly transferred to the Issuer.

Each Debtor under the Loans may further raise defences (which may include, as applicable, any set-off or defence of non-performance right – see "Set-off by Debtors under Belgian law" and "Defence of non-performance under Belgian law" below) against the Issuer arising from such Debtor's relationship with the Seller/Pledgor.

There is no guarantee that the notification to the Debtors under the relevant Loans will be made at the times required and there can be no guarantee or assurance as to the ability of the Issuer to obtain effective direct payment from the Debtors under the relevant Loans in a sufficient timely manner, which may affect payments under the Notes. In this situation, a shortfall in distributions of interest to Noteholders may result.

Any recourse against the Pledgor/Seller for repayment of collections received by the Pledgor/Seller under the relevant Loans which are commingled with the Pledgor/Seller's other fund will likely rank *pari passu* with the claims of other senior unsecured creditors of the Pledgor/Seller, and be subject, as the case may be, to mandatory Belgian insolvency rules (including stay of execution) and/or to recovery and resolution measures adopted in respect of the Pledgor/Seller.



### ***Set-off by Debtors under Belgian law***

Notwithstanding the pledge or the transfer to the Issuer of the relevant Loans and related Loan Security, for so long as the Debtors are not notified of such transfer, the debtors under the relevant Loans may be entitled, under certain conditions, to set-off the relevant Loans receivable against a claim they may have *vis-à-vis* the Seller/Pledgor.

Under Belgian law, set-off rights may continue to arise in respect of reciprocal claims between the Debtor (or third providers of Loan Security) and the Seller/Pledgor, as soon as such reciprocal claims exist and are fungible, liquid (*vaststaand / liquid*) and payable (*opeisbaar / exigible*), potentially reducing amounts to be received by the Issuer under the Loans which would have been validly transferred to the Issuer.

However, the Seller has agreed to indemnify the Issuer if a Debtor or a provider of Loan Security claims a right to set-off against the Issuer under the Mortgage Sale Loan Agreement. In addition, AXA Bank Belgium is required to maintain a certain value of Loans granted as Collateral Security in favour of the Issuer pursuant to the Collateral Security Agreements (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Asset Cover Test – Calculation of Asset Cover Ratio" for details). In addition, the provisions of the Belgian Mobilisation Act have now further reduced the risk that amounts receivable under the Loans and the Loan Security are reduced on the basis of set-off rights. The Issuer will no longer be subject to set-off risk: (a) following notification of the sale/pledge of the Loans (and/or the Loan Security) to the relevant Debtors (or acknowledgement thereof by the relevant Debtors), to the extent the conditions for set-off are only satisfied after such notification (or acknowledgment); and (b) regardless of any notification or acknowledgement of the assignment/pledge, following the start of insolvency proceedings or the occurrence of a situation of concurrence of creditors (*samenloop/concours*) in relation to the Seller/Pledgor, to the extent the conditions for set-off are only satisfied following or as a result of such insolvency proceedings or concurrence of creditors.

### ***Defence of non-performance under Belgian law***

Under Belgian law, a debtor may in certain circumstances in case of default of its creditor invoke the defence of non-performance, pursuant to which it would be entitled to suspend payment under its obligations until its counterparty has duly discharged its obligations due and payable to the debtor. The exception of non-performance is subject to various conditions, the most important ones being: (a) the debt in respect of which payment is suspended must be due and must be conditional upon payment of a debt owed by the other party; (b) the other party must have defaulted on its debt, in a material way; (c) the amount/value involved in the suspension must be in proportion to the amount/value of the default; (d) finally, there must be a close interrelationship between the two debts, typically such close interrelationship is accepted to exist where both debts arise under the same contract or otherwise are so closely interrelated that they are a part of a single transaction (as to the possible existence of closely interrelated debts (see "Set-off by Debtors under Belgian law" above).

If all such conditions are met, the defence of non-performance may be invoked by a Debtor in respect of a Loan which could potentially reducing amounts to be received by the Issuer under the Loans which would have been validly transferred to it.

However, pursuant to the Belgian Mobilisation Act, a debtor cannot invoke the defence of non-performance (a) following notification of the sale or the pledge of a Loan (and/or the Loan Security) to the relevant debtors (or acknowledgement thereof by the relevant debtor), to the extent the conditions for defence of non-performance are only satisfied after such notification (or acknowledgment); and (b) regardless of any notification or acknowledgement of sale, following the start of insolvency proceedings or the occurrence of a situation of concurrence of creditors (*samenloop/concours*) in relation to the Seller/Pledgor, to the extent the conditions for defence of non-performance are only satisfied following or as a result of such insolvency proceedings or concurrence of creditors.

### ***Substitution risk***

In the event of a downgrading of the short-term and/or long-term debt of one or more parties to the Programme Documents (such as the eligible hedging providers under the Hedging Documents or the Servicer under the Collateral Servicing Agreement and the Servicing Agreement) or under certain circumstances described in the Programme Documents, leading to the substitution of one or more of these parties pursuant to the terms of the Programme Documents, no assurance can be given that a substitute entity will be found.

In particular, if an event leading to the termination of the appointment of AXA Bank Belgium as Servicer under the Collateral Servicing Agreement and the Servicing Agreement occurs, then the Issuer will be required to appoint a substitute servicer in its place. There can be no assurance that such substitute servicer with sufficient experience would be found who would be willing and able to service the same on the terms of the Collateral Servicing Agreement and/or the Servicing Agreement.

In addition, upon the occurrence of any Event of Default under the Facility Documents and/or a Notification Event under the Purchase Documents and the subsequent transfer to the Issuer of the Collateral Security Assets and/or the Loans, and if AXA Bank Belgium is no longer in a position to act as Servicer and/or to fulfill its duties under the Collateral Servicing Agreement, the Servicing Agreement and the Management and Recovery Agreement, there can be no assurance that a substitute servicer with sufficient experience of servicing such transferred Collateral Security Assets and/or Loans would be found who would be willing and able to service the same on the terms of the Collateral Servicing Agreement, the Servicing Agreement and the Management and Recovery Agreement.

The ability of a substitute servicer (or an entity able to fulfill AXA Bank Belgium's duties under the Collateral Servicing Agreement, the Servicing Agreement and the Management and Recovery Agreement) to perform fully the required services will depend, amongst other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint such substitute entities may affect the realisable value of the Collateral Security Assets, the Loans or any part thereof, and/or the ability of the Issuer to make payments under the Notes.

### **2.3 Risks relating to the Purchase Documents**

#### ***Impact of claw-back rules under Belgian law***

The transfer of the Loans under the Purchase Documents may be subject to claw-back and be held ineffective towards other creditors of the Seller in case of bankruptcy (*faillietverklaring/déclaration de faillite*) of the Seller if:

- (a) the sale is effected with fraudulent intent (pursuant to Article XX.144 of the Belgian Economic Code (*wetboek van 28 februari 2013 van economisch recht/code du 28 février 2013 de droit économique*) (the "**Belgian Economic Code**")); or
- (b) during a suspect period determined by the relevant bankruptcy court, but not exceeding six months prior to the bankruptcy order, if the sale was entered into with a party aware of the state of bankruptcy of the Seller or was not entered into at arm's length terms.

The suspect period is the period within which the court considers that the Seller is in a situation of cessation of payments, *i.e.* unable to pay its debts. There is a presumption that this occurs upon the bankruptcy order (*faillietverklaring/déclaration de faillite*), but the relevant bankruptcy court may consider that cessation of payments occurred at an earlier date (but not earlier than 6 months before the bankruptcy order) based on serious and objective indications that such was the case.

#### ***Risk related to the Belgian withholding tax regime in respect of the Loans purchased by the Issuer under the Mortgage Loans Sale Agreement***

Pursuant to Article 107, §2, 7°, a) of the Royal Decree to the Belgian Income Tax Code ("**RD**"), interest payments made by Belgian private individual debtors are exempt from withholding taxes if made to certain entities listed as financial institution or equivalent undertakings under Article 105, 1° of the RD. The list of financial institutions and equivalent undertakings provided in Article 105, 1° of the RD is however outdated and does not contain a category under which the Issuer qualifies *per se*. Hence there is a risk that the Belgian tax authorities would successfully claim that interest payments to be made under the Loans are subject to withholding tax.

In order to mitigate that risk, the Issuer has obtained a tax ruling from the Belgian Ruling Commission on 24 January 2017 (n° 2016.768) confirming that Article 107, §2, 7°, a) of the RD is applicable to the interest payments made by individual debtors to the Issuer in his capacity as Secured Party under the Collateral Security Agreements after notification to the Debtors of the Pledge. Such ruling does not however cover interest payments that would be paid to the Issuer in its capacity as Purchaser under the Framework Mortgage Loan Sale Agreement. An application for an additional ruling covering this has been made by the Issuer on 12 June 2017, but, at the date of this Base Prospectus, no final decision has been taken by the Belgian Ruling Commission.

There is therefore a residual risk that the Belgian tax authorities would successfully claim that interest payments under certain Loans are subject to withholding tax, to be withheld by the Debtors. Such risk is mitigated by the following mitigant factors:

- (a) under the Mortgage Loans Sale Agreement, AXA Bank Belgium is required to increase any amount payable by itself or by a Debtor in respect of such deduction or withholding required to be made to ensure that, after the making of such deduction or withholding, the Issuer receives and retains a net amount equal to the amount which it would have received and so retained had no such deduction or withholding been made or required to be made;
- (b) the Servicing Agreement includes measures aiming at appointing a financial institution qualifying under Article 105 of the RD as substitute servicer in the event of a Servicing Termination Event, and if such a substitute servicer is appointed, then no withholding should be made;
- (c) Article 105 of the RD is outdated and does not reflect recent evolutions of Belgian law and European Union law and could be challenged in court on that basis; and
- (d) the legal reasoning behind the ruling obtained for the Loans secured under the Collateral Security Agreements is, *mutatis mutandis*, applicable to Loans purchased under the Framework Mortgage Loan Sale Agreement.

## **2.4 Risks relating to the Facility Agreement and the Collateral Security**

### ***Borrower's ability to pay under the Facility Agreement***

Neither the Issuer nor any other party to the Programme Documents (without prejudice to the Collateral Security granted by the Pledgor) does guarantee or represent and warrant full and timely payment by the Borrower of any sums of principal or interest payable under the Facility Agreement.

In addition, should the Borrower be subject to any applicable insolvency proceedings under Belgian law, this would impair the ability of the Issuer to claim against the Borrower for obtaining timely payment of amounts of principal and interest due and payable under the Facility Agreement and the Issuer will not be entitled to accelerate the payment of such amounts.

However, pursuant to Article L.211-38-I of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 4 of the Belgian Act of 15 December 2004 on Financial Collateral (the "**Belgian Financial Collateral Act**"), the Collateral Security is enforceable, even if the Borrower is the subject of any such proceedings.

### ***No interpretation by French and the Belgian courts of rules applicable to Collateral Security***

The pledge granted by the Pledgor over Eligible Collateral Assets in favour of the Secured Party under the French Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the provisions of Articles L.211-38 *et seq.* of the French Monetary and Financial Code implementing Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements as amended (the "**Collateral Directive**").

The pledge granted by the Pledgor over Eligible Collateral Assets in favour of the Secured Party under the Belgian Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the provisions of Article 4 of the Belgian Financial Collateral Act implementing the Collateral Directive.

Holders of the Notes should note that neither the French courts nor the Belgian courts have had yet the opportunity to interpret Articles L.211-38 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) or the Belgian Financial Collateral Act.

### ***Method of establishment and enforceability of the Collateral Security – Notion of control and identification***

The Collateral Security does not entail any transfer of title with respect to the relevant assets until enforcement. The Collateral Security is created and perfected in accordance with Article L.211-38 of the French Monetary and Financial Code (*Code monétaire et financier*). Pursuant to Article L.211-38 of the French Monetary and Financial Code (*Code monétaire et financier*), "*the establishment of such guarantees and their enforceability are not subject to any formality*".

However, Article L.211-38 of the French Monetary and Financial Code (*Code monétaire et financier*) further states that such establishment and enforceability "*derive from the transfer of the relevant property and rights, the dispossession of the grantor or their control by the beneficiary or a person acting on his behalf*". In the case of a pledge without dispossession, the notion of "*control*" must be used to determine that the pledge has been established.

The notion of control is a matter of fact which is assessed by a French judge at its sole discretion (*appréciation souveraine*) and there are no guidelines in the texts or in the French case law as to how to characterise and measure "control" in the sense of that Article L.211-38 of the French Monetary and Financial Code (*Code monétaire et financier*). However, in the context of monies deposited in an account which are pledged by the depositor to the account bank to cover any debts of the depositor to the bank, the Court of Justice of the European Union has ruled *inter alia* that (i) the requirement of control will only be met if the depositor is prevented from disposing of the monies after they have been deposited in that account and (ii) any right given to the collateral provider to substitute or withdraw excess collateral must not prejudice the provision of financial collateral to the collateral taker (Private Equity Insurance Group SIA v Swedbank AS [2016] EUECJ C-156/15).

Although no guarantee can be given under French law as to whether the Issuer has sufficient "control" over the Collateral Security Assets, pursuant to the Collateral Security Agreements and the Collateral Servicing Agreement, the Issuer will have specific rights which are aimed at organizing a certain level of control over the Collateral Security Assets, in particular:

- (a) the Services will constitute servicing instructions of the Issuer to the Pledgor and no change can be made to them without the Issuer prior consent in a way that would prejudice the Issuer's rights under the Collateral Security Agreements;
- (b) the Pledgor will undertake to (i) comply with the relevant Services and (ii) notify the Issuer upon becoming aware of any circumstance or event giving rise to a breach of such Services. In case of such breach, the Issuer will have the right to enforce the Collateral Security Agreements and proceed with notification and the underlying debtors;
- (c) the Secured Party may amend or terminate the right for the Servicer to consent to any Permitted Variation for any reason and at any time upon the giving of not less than thirty (30) Business Days' notice to the Servicer;
- (d) the Pledgor will undertake in particular not to create or permit the creation or existence of any encumbrance or security over, nor to sell, transfer or otherwise dispose of any of the assets granted as Collateral Security; and
- (e) for the purpose of satisfying itself as to whether the Collateral Security Assets remain Eligible Collateral Assets or to control the conformity of the servicing of the Collateral Security Assets with the Services or of the information contained in the Asset Reports, the Issuer (or any agent acting on its behalf) will be entitled to (i) access at all times the premises where the Contract Records are located and (ii) inspect, audit and copies such Contract Records.

In addition, Article L.211-38 of the French Monetary and Financial Code (*Code monétaire et financier*) requires that: "*the identification of the relevant property and rights, transfer thereof, and dispossession of the grantor or control by the beneficiary must be attestable in writing*". For the purpose of complying with that requirement, the Pledgor will have to provide a list of the Eligible Collateral Assets pledged as Collateral Security to the Issuer, each time any such Eligible Collateral Asset is being included in the Collateral Security. Likewise, pursuant to Article 4§1, 4th indent of the Belgian Financial Collateral Act, it is a requirement for the pledge to be valid that the Loans pledged as collateral are "*sufficiently determined or determinable*". The validity of a pledge under the Belgian Financial Collateral Act is however not subject to a control requirement (and the circumstance that the Belgian Financial Collateral Act would be found not to constitute a proper implementation of the Collateral Directive should not impact the validity of the pledge).

#### ***Maintenance of value of the Collateral Security prior to or following enforcement thereof***

If the value of the Collateral Security Assets granted as Collateral Security in favour of the Issuer pursuant to the Collateral Security Agreements has not been maintained in accordance with the terms of the Asset Cover Test or the other provisions of the Programme Documents, this may affect the value of the Collateral Security or any

part thereof (both before and after the occurrence of an Event of Default) or the price or value of such Collateral Security Assets upon the sale or refinancing thereof by the Issuer.

The value of the properties relating to the Collateral Security Assets may decrease as a result of any number of factors, including the national or international economic climate, regional economic or housing conditions, changes in tax laws, mortgage interest rates, inflation, the availability of financing, yields on alternative investments, increasing utility costs and other day-to-day expenses, political risks and government policies.

A Non-Compliance with the Asset Cover Test on any Asset Cover Test Date will not result in an Event of Default, unless it is not remedied until the next Asset Cover Test Date, in which case it will constitute a Breach of Asset Cover Test resulting in an Event of Default.

## **2.5 Interest rate and currency risks**

According to Article 12 of Regulation 99-10 of the CRBF, the Issuer must dispose of a system for measuring overall interest rate risks which respects the conditions set forth in Articles 134 to 139 of the *arrêté* dated 3 November 2014 relating to the internal control of credit institutions. The level of rate and maturity matching between the assets and the liabilities of the Issuer is verified by the Specific Controller.

The Issuer uses micro and macro hedges to hedge general interest rate and currency risks. The goal of the Issuer is to neutralise interest rate and currency risks as much as possible from an operating standpoint. The ability of the Issuer to enter into appropriate hedging agreements or find replacement hedging agreements depends however on market conditions prevailing at that time.

The hedging agreements will provide a hedge of any interest rate or currency risk arising from the mismatches between (i) the amounts of principal and interest payable by the Issuer under the Notes in Euros, and (ii) the amounts in the currencies in which the Loans transferred to the Issuer are denominated corresponding to principal and interest received by the Issuer under those assets and in particular, the hedging agreements will ensure that the Issuer will have in place appropriate derivative transactions to hedge the currency and interest rate risks arising from such assets.

For this purpose, the Issuer will enter into one or more hedging agreements and related hedging transaction(s) with eligible hedging provider(s) with minimum ratings complying with the rating agencies public methodologies and criteria which are, as at the date on which they are entered into, commensurate to the then current rating of the Notes and on terms as per rating agencies' public methodologies and criteria to cover interest rate and/or currency risks arising from the mismatches between the payments received under the Loans transferred to the Issuer and the payments to be made under the Notes.

The hedging agreements may be documented under a 1992 (Multicurrency-Cross Border) or a 2002 International Swap Derivatives Association (ISDA) master agreement (including its schedule, credit support document and confirmations) governed by English law or under the *Fédération Bancaire Française* (FBF) master agreement relating to transactions on forward financial instruments (including its schedule, collateral annex and confirmations) in its version of 2013 and will contain provisions complying with the rating agencies' public methodologies and criteria which are commensurate to the then current rating of the Notes, in particular in relation to the hedging mechanisms for the counterparty risks.

In certain circumstances, the hedging transactions may be terminated and, as a result, the interest rate and currency risks described above may be unhedged if a replacement hedging agreement is not entered into.

Termination or transfer of a hedging agreement may be at the Issuer's cost and may therefore, depending on market conditions prevailing at that time, have a material adverse effect on the Issuer's financial situation.

Pursuant to the second paragraph of Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*), the hedging agreement(s) and related hedging transaction(s) entered into by the Issuer in relation to its assets and its liabilities, including the Notes, will benefit from the *Privilège* created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*). However, the Issuer may also enter into forward financial instruments which will not benefit from the *Privilège*, in particular when such forward financial instruments are not concluded by the Issuer to hedge items of its assets and/or privileged liabilities or the global risk on its assets, liabilities and off-balance sheet items in accordance with Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*).

The replacement assets referred to in Articles L.513-7 and R.513-6 of the French Monetary and Financial Code (*Code monétaire et financier*) are managed so as not to incur any interest rate risk.

## 2.6 Credit risk on bank counterparties

For the Issuer, counterparty risk is that of counterparties in:

- (i) hedging operations; and
- (ii) cash advance provider; and
- (iii) holding the Issuer's bank accounts.

With respect to the counterparty risk under the hedging agreements entered into by the Issuer, the hedging agreements will contain appropriate wording complying, as at the date on which they are entered into, with the rating agencies public methodologies and criteria which are commensurate to the then current rating of the Notes. In particular, in the event that the eligible hedging provider(s) (or their respective guarantor, as applicable) is or are downgraded by a rating agency below a minimum hedging rating determined in accordance with the rating agencies' public methodologies and criteria which are commensurate to the then current rating of the Notes, the relevant eligible hedging provider will take certain remedial measures, at its cost, which may include one or more of the following, depending on the level of the downgrading:

- (i) providing collateral for its obligations under the relevant hedging agreement;
- (ii) arranging for its obligations under the relevant hedging agreement to be transferred to a replacement eligible hedging provider benefiting from the minimum level of ratings complying with the relevant rating agency public methodologies and criteria (as specified in the relevant hedging agreement);
- (iii) procuring another entity with the ratings complying with the relevant rating agency public methodologies and criteria (as specified in the relevant hedging agreement) to become a guarantor in respect of its obligations under the relevant hedging agreement; and/or
- (iv) taking such other actions as notified to the relevant rating agency that prevent the then current ratings of the Notes from being downgraded.

Notwithstanding the above rating downgrade remedies, the Issuer remains nonetheless exposed to the risk of default of its derivatives counterparties.

The Issuer is exposed to the credit risk on its bank counterparties (in particular its bank account holder). In order to mitigate such credit risk, the bank counterparties must be selected by the Issuer as to comply with the specific legal requirements applicable to *sociétés de crédit foncier* and with the rating agencies public methodologies and criteria which are commensurate to the then current rating of the Notes. In particular, such bank counterparties will have minimum ratings complying with (i) the specific legal requirements applicable to *sociétés de crédit foncier* and in particular Article R.513-6 of the French Monetary and Financial Code (*Code monétaire et financier*) relating to the replacement assets (see "Risk Factors - Credit risk on assets" above) and (ii) any additional rating agencies' criteria in accordance with their public methodologies in order to maintain the ratings of the Notes.

## 2.7 Liquidity risk

The maturity and amortisation profile of the eligible assets may not match the repayment profile and maturities of the Notes, therefore creating a need for liquidity at the level of the Issuer.

Pursuant to Articles L.513-8 and R.513-7 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must ensure, at all times, the coverage of their liquidity needs for the next 180 calendar days (taking into account the forecasted flows of principal and interest on its assets and net flows related to derivative financial instruments referred to in Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*)), by replacement values (*valeurs de remplacement*) or other assets eligible as collateral to credit transactions with the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations.

The Issuer benefits from the ALM management tools provided to it by the laws and regulations applicable to *sociétés de crédit foncier* in order to fund temporary liquidity needs (which could result from the mismatch between payment dates and maturities under the assets of the Issuer and its liabilities). According to Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*), the Issuer may at any time sell or liquidate assets or raise new short-term or medium-term funds in order to comply with its payment obligations pursuant to the Notes and other resources which benefit or not from the *Privilège*. These instruments include, *inter alia*, sale or transfer as collateral of receivables in accordance with Article L.211-36 *et seq.* or Article L.313-23 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*), temporary transfers of its securities as provided for in Articles L.211-22 to L.211-34 of the French Monetary and Financial Code (*Code monétaire et financier*) or having recourse to funding secured by a pledge of a securities account as defined in Article L.211-20 of the French Monetary and Financial Code (*Code monétaire et financier*) or issuing bonds or other resources which benefit or not from the *Privilège*.

#### *Cash Advance Agreement*

To address such liquidity risk, the Issuer also benefits from an undertaking from AXA Bank Belgium, under a cash advance agreement (as amended from time to time) (the "**Cash Advance Agreement**"), to make cash advances on any Interest Payment Date, Instalment Date or Maturity Date (or Extended Maturity Date) of any Series of Notes (as determined in the Final Terms of such Series of Notes) issued by the Issuer or any payment date under any hedging agreement benefiting from the *Privilège*, in an amount equal to the positive difference between (a) the total amounts due (in interest and/or principal) by the Issuer under such Series of Notes and, as the case may be, under such hedging agreement benefiting from the *Privilège* on such payment date, together with any fees payable by the Issuer during the period starting on the preceding payment date (excluded) and ending on such payment date (included) and any other debts benefiting from the *Privilège* (but, for the avoidance of doubt and any double counting, excluding the amount due under the Notes or the Hedging Agreements) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) and (b) the available cash standing to the credit of the Issuer's bank accounts on such date, resulting in particular from the payments received under its assets on or prior to such date and still pending for allocation. Consequently, the Issuer is exposed to a liquidity risk in the event that AXA Bank Belgium cannot meet its obligations under the Cash Advance Agreement.

#### *Pre-Maturity Reserve under the Cash Advance Agreement*

In the event that the rating of AXA Bank Belgium' short-term counterparty risk assessment from Moody's falls below "P-1(cr)" (or such other minimum ratings complying with the rating agencies' public methodologies and criteria in order to maintain the ratings of the Notes) during the nine (9) month period preceding the Maturity Date of any Series of Notes with hard bullet maturities and ending on, and including, such Maturity Date (a "**Pre-Maturity Reserve Test Period**") and on a regular basis for so long as it is continuing during such Pre-Maturity Reserve Test Period (a "**Pre-Maturity Reserve Trigger Event**"), AXA Bank Belgium undertakes (a) to fund a Pre-Maturity Reserve (in cash and/or securities) in an amount (such amount being the "**Pre-Maturity Reserve Required Amount**") equal to the sum of (A) the aggregate amount of principal payable by the Issuer under all Series of Notes with hard bullet maturities during a 9 month period starting on such funding date and (B) the aggregate amount of any other debts benefiting from the *Privilège* during a 9 month period starting on such funding date (but, for the avoidance of doubt excluding the amount due by the Issuer under all Series of Notes with soft bullet maturities) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), for the benefit of the Issuer by crediting a pre-maturity reserve account as designated by the Issuer and (b) to maintain, on a rolling basis until such Pre-Maturity Reserve Trigger Event has ceased, the Pre-Maturity Reserve Required Amount in such pre-maturity reserve account.

The Pre-Maturity Reserve will only be funded in respect of Series of Notes which will have hard bullet maturities (*i.e.* not allowing the Maturity Date of the relevant Series to be extended), as specified in the relevant Final Terms and for an amount complying with a "*Pre-Maturity Test*" commensurate in accordance with the rating agencies' public methodologies to ensure that the Issuer will have sufficient funds to meet its payment obligations at maturity.

#### *Mortgage Promissory Notes Commingling Reserve under the Cash Advance Agreement*

Payments by debtors relating to the receivables mobilised by way of mortgage promissory notes (*billets à ordre hypothécaires*) governed by Article L.313-42 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) issued by AXA Banque and subscribed by AXA Bank Europe SCF (see "Description of the Issuer – Issuer's exclusive purpose and business overview" for more details) are made on accounts opened in the books of AXA Banque.

In the event that (such event, a "**Mortgage Promissory Notes Commingling Reserve Trigger Event**"):

- (i) (a) as long as AXA Banque is wholly owned directly or indirectly by AXA S.A., the senior unsecured debt rating of AXA S.A. is assigned a rating by Moody's of less than "Baa3"; or (b) AXA Banque is no longer wholly owned, directly or indirectly, by AXA S.A.; and
- (ii) AXA Banque has not taken any of the following actions as specified under the general framework agreement relating to mortgage promissory notes (*Convention Cadre de Mobilisation de Créances (Billet Hypothécaire)*):
  - (A) set up itself a reserve for an amount equal to the amount referred to the Mortgage Promissory Notes Commingling Reserve Required Amount (as defined below); or
  - (B) find any other solution to maintain the then current rating of any *obligations foncières* (including the Notes) issued by the Issuer and outstanding,

AXA Bank Belgium undertakes to fund a Mortgage Promissory Notes Commingling Reserve (in cash only) in an amount (such amount being the "**Mortgage Promissory Notes Commingling Reserve Required Amount**") equal to the greater of 110 per cent. of:

- (a) one (1) month of interest plus the principal received of the underlying receivables of the mortgage promissory notes issued by AXA Banque and subscribed by the Issuer; and
- (b) an amount equal to the aggregate amount of three (3) months of interest payable by the Issuer under any outstanding Series of Notes taking into account any related hedging agreement, and under any other debts benefiting from the *Privilège* (but, for the avoidance of doubt, excluding any double counting) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*).

The Mortgage Promissory Notes Commingling Reserve will be funded for the benefit of the Issuer by crediting a mortgage promissory notes commingling reserve account as designated by the Issuer and maintained, on a rolling basis until such Mortgage Promissory Notes Commingling Reserve Trigger Event has ceased.

#### *Collection Loss Reserve under the Cash Advance Agreement*

In the event that AXA Bank Belgium's rating is or falls below "Baa3cr" (long-term counterparty risk assessment) by Moody's (a "**Collection Loss Reserve Trigger Event**"), AXA Bank Belgium undertakes to fund a Collection Loss Reserve (in cash and/or securities) in an amount (such amount being the "**Collection Loss Reserve Required Amount**") equal to the greater of (i) the collections received by AXA Bank Belgium during the preceding one calendar month preceding the Collection Loss Reserve Trigger Event under both the Loans sold to the Issuer under the Mortgage Loan Sale Agreement and Loans granted as collateral security to the benefit of the Issuer under the Collateral Security Agreements and (ii) an amount equal to the sum of (A) the aggregate amount of interest payable by the Issuer under any outstanding Series of Notes, (B) any amount payable by the Issuer under any hedging agreement, (C) any other debts benefiting from the *Privilège* (but, for the avoidance of doubt and any double counting, excluding the amount due under the Notes or the hedging agreements) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) and (D) any fees payable by the Issuer.

The Collection Loss Reserve will be funded for the benefit of the Issuer by crediting a collection loss reserve account as designated by the Issuer and maintained, on a rolling basis until such Collection Loss Reserve Trigger Event has ceased.

#### *Subscription by the Issuer of the Notes as eligible collateral with the Banque de France*

In the event that the Issuer cannot meet its liquidity needs from any other sources, pursuant to Article L.513-26 of the French Monetary and Financial Code (*Code monétaire et financier*), it may as a *société de crédit foncier* subscribe its own *obligations foncières* (i.e. the Notes) within the limit of 10 per cent. of the outstanding principal amount of any liabilities of the Issuer benefiting from the *Privilège* on the date of their subscription, for the sole purpose of granting them as collateral for the credit operations of the *Banque de France* in accordance with the procedures and, subject to the conditions of the *Banque de France*, laid out by it for its monetary policy and intraday credit operations.



*Average life of the eligible assets held by sociétés de crédit foncier*

Pursuant to Article 12 of the Regulation 99-10 of the CRBF, *sociétés de crédit foncier* must ensure that the average life of the eligible assets held by them related to the minimum amount required to comply with the coverage ratio referred to in Article R. 513-8 of the French Monetary and Financial Code (*Code monétaire et financier*), does not exceed more than 18 months the average life of its liabilities benefiting from the *Privilège* (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier* - Liquidity needs").

### **3. RISK FACTORS RELATING TO THE NOTES**

#### **3.1 The Notes may not be a suitable investment for all investors**

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

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

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

#### **3.2 Risks related to the structure of a particular issue of Notes**

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

##### *Notes subject to optional redemption by the Issuer*

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

The redeemed amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholders. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a

significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*Notes subject to optional redemption by the Noteholders: exercise of Put Option in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised*

Depending on the number of Notes of the same Series in respect of which the Put Option specified as applicable in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid. In addition, investors may only be able to reinvest the moneys they receive upon such early redemption in securities with a lower yield than the redeemed Notes.

#### *Fixed Rate Notes*

Investment in Notes which bear interest at a fixed rate involves the risk that inflation or subsequent changes in market interest rates may adversely affect the value of the relevant Tranche.

#### *Floating Rate Notes*

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile in case of changes in the margin prevailing in the floating rate note market for comparable Notes issuer or 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 Notes upon the next periodic adjustment of the relevant reference rate.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

#### *Inverse Floating Rate Notes*

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

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The conversion (whether automatic or optional) will affect the secondary market and the market value of such Notes since it may lead to a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If a floating rate is converted to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

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

### *Zero Coupon Notes*

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

### *Extendible Notes may be redeemed after their initial maturity*

The Maturity Date of Extendible Notes may be extended automatically until the Extended Maturity Date (as specified in the applicable Final Terms). The payment of the unpaid amount may be automatically deferred and will become due and payable on the Extended Maturity Date if so specified in the relevant Final Terms, provided that the Final Redemption Amount unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date occurring thereafter up to and including the Extended Maturity Date.

Interest will continue to accrue on any unpaid amount during such extended period at the relevant applicable Rate of Interest and will be payable on each Specified Interest Payment Date and on the Extended Final Maturity Date, all as specified in the relevant Final Terms and in accordance with the applicable Conditions. The extension of the maturity of the Notes from the Maturity Date to, at the latest, the Extended Maturity Date will not result in any right of the Noteholders to accelerate payments or take action against the Issuer and will result in a delay of payments of principal on the relevant Notes.

In addition, the provisions relating to interest payable relating to Extendible Notes may differ from the initial Notes.

### *Risks relating to reform and the future discontinuance of certain benchmark rates such as LIBOR*

The EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") No 2016/1011 was published in the European official journal on 29 June 2016 and applies since 1 January 2018.

The Benchmark Regulation applies to "contributors", "administrators" and "users" of "benchmarks" in the EU, and will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of "benchmarks" (or, if non EU based, to be subject to equivalent requirements) and (ii) prevent certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised/registered (or, if non EU based, deemed equivalent or recognised or endorsed). The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, applies to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue or via a systematic internaliser, financial contracts and investment funds.

The Benchmark Regulation could have a material impact on any Notes linked to or referencing a "benchmark" index (such as EURIBOR, EONIA, LIBOR and EUR CMS), including in any of the following circumstances:

- an index which is a "benchmark" could not be used by a supervised entity in certain ways if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and
- the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the benchmark.

Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of

certain "benchmarks". For example, the European Central Bank decided to develop a euro short-term rate (known as "ESTER"), which will reflect the wholesale euro unsecured overnight borrowing costs of euro area banks. It is currently expected that ESTER will complement existing benchmark rates produced by the private sector and will be available by October 2019 at the latest. In addition, the European Money Markets Institute (EMMI) launched a second consultation on 17 October 2018 to reform the current model of the EURIBOR.

Furthermore, LIBOR is the subject of ongoing regulatory reforms. Following the implementation of any of these reforms, the manner of administration of LIBOR may change, with the result that it may perform differently than in the past or be eliminated entirely, or there could be other consequences that cannot be predicted. On 27 July 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. At this time, it is not possible to predict the effect of any establishment of alternative reference rates, to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR or any other reforms to LIBOR that may be enacted in the United Kingdom. Uncertainty as to the nature of such alternative reference rates or other reforms may adversely affect the trading market for the Notes.

The potential elimination of reference rates as benchmarks, the establishment of alternative reference rates or changes in the manner of administration of reference rates as benchmarks could also require adjustments to the Terms and Conditions of the Notes and may result in other consequences, such as interest payments that are lower than, or that do not otherwise correlate over time with, the payments that would have been made otherwise on those securities.

Any of the above changes or any other consequential changes to benchmarks as a result of European Union, United Kingdom, or other international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes could have a material adverse effect on the trading market for, value of and return on any Notes linked to a "benchmark" (*i.e.* Floating Rate Notes).

Pursuant to the Condition 5(c) Terms and Conditions of the Notes, if the Issuer in consultation with the Calculation Agent determines, at any time that the screen rate that constitutes the Relevant Rate for Floating Rate Notes has been discontinued, or the relevant Benchmark is materially modified, permanently discontinued or prohibited, or, otherwise unavailable, the Benchmark or the sponsor thereof is not approved under applicable law or rejected, withdrawn or suspended by the relevant regulator, then the Issuer will be required to appoint a Relevant Rate Determination Agent (which may be (i) a leading bank or a broker-dealer in the Principal Financial Centre of the Specified Currency (which may include one of the Dealers involved in the issue of the Floating Rate Notes), (ii) an independent financial adviser and/or (iii) the Calculation Agent) who will determine a Replacement Relevant Rate as well as any necessary concomitant changes to the Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Relevant Rate, including any changes or adjustments necessary to make such Replacement Relevant Rate as comparable as possible to the previous Relevant Rate. Such Replacement Relevant Rate and any such other changes will (in the absence of manifest error) be final and binding on the Noteholders, the Issuer, the Calculation Agent, the Fiscal Agent and any other person and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and such related changes and adjustments which will thenceforth apply to the relevant Floating Rate Notes.

The Replacement Relevant Rate may have no or a very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, given the uncertainty concerning the availability of successor rates and the involvement of a Relevant Rate Determination Agent, the relevant fallback provisions may not operate as intended at the relevant time and the replacement rate may perform differently from the discontinued Benchmark.

There can be no assurance that any change or adjustment applied to Floating Rate Notes will adequately compensate for this impact. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favorable to each Noteholder. This could in turn impact the Rate of Interest on, and trading value of, the affected Floating Rate Notes. Moreover, any holders of such Floating Rate Notes that enter into hedging instruments based on the Relevant Rate may find their hedges to be ineffective, and they may incur costs in unwinding such hedges and replacing them with instruments tied to the Replacement Relevant Rate.

If the Relevant Rate Determination Agent is unable to determine an appropriate Replacement Relevant Rate for any Relevant Rate on or prior to the next following Interest Determination Date, then the provisions for the

determination of the Rate of Interest on the affected Floating Rate Notes will not be changed. In such cases, the Rate of Interest will be calculated based on the last Relevant Rate observable on the Relevant Screen Page as determined by the Calculation Agent, effectively converting such Floating Rate Notes into Fixed Rate Notes. In such circumstances and a rising interest rate environment, holders of Notes will, consequently, not benefit from any increase in rates. The trading value of such Notes could therefore be adversely affected.

Investors should consider all of these matters, consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms when making their investment decision with respect to the relevant Floating Rate Notes.

### 3.3 Risks related to Notes generally

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

#### *Modification of the Conditions*

Except as otherwise provided by the relevant Final Terms, holders of Notes will, in respect of all Tranches in any Series of Notes, be grouped automatically for the defence of their common interests in a *masse* which will act through a representative or, as applicable, through collective decisions of the Noteholders (the "**Collective Decisions**"). The Collective Decisions can be adopted either (i) in a general meeting of the Noteholders (the "**General Meeting**"), (ii) by unanimous consent of the Noteholders following a written consultation (the "**Written Unanimous Decision**") or (iii) by the consent of one or more Noteholders holding together at least 75 per cent. of the principal amount of the Notes outstanding, following a written consultation (the "**Written Majority Decision**"). The Terms and Conditions of the Notes permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting or who did not vote through the relevant Written Unanimous Decision or Written Majority Decision and Noteholders who voted in a manner contrary to the majority. The Collective Decisions may deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 10.

#### *Potential Conflicts of Interest*

Conflicts of interest may arise during the life of the Programme as a result of various factors involving certain parties to the Programme Documents. For example, such potential conflicts may arise because AXA Bank Belgium and AXA Banque act in several capacities under the Programme Documents, it being provided that its rights and obligations under the Programme Documents are not contractually conflicting and are independent from one another.

In addition, during the course of their business activities, parties to the Programme Documents and/or any respective affiliates may operate, service, acquire or sell properties, or finance loans secured by properties, which are in the same markets as the Loans. In such case, the interest of any of those parties or their affiliates or the interest of other parties for whom they perform services may differ from, and compete with, the interests of the Issuer or of the Noteholders.

In addition, the Arranger and the Dealer(s) and their affiliates may from time to time advise the issuers of, or obligors in respect of, reference assets regarding transactions to be entered into by them, or engage in transactions involving reference assets for their proprietary accounts and for other accounts under their management. Any such transactions may have a positive or negative effect on the value of such reference assets and therefore on the value of any Notes to which they relate. Accordingly, certain conflicts of interest may arise both among the Arranger and the Dealer(s) and between the interests of the Arranger and the Dealer(s) and the interests of holders of Notes.

The Arranger and the Dealer(s) have or may (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions with the Issuer and AXA group entities (ii) act as underwriters in connection with offering of shares or other securities issued by any AXA group entities or (iii) act as financial advisers to the Issuer or AXA group entities. In the context of these transactions, certain of such Dealer(s) have or may hold shares or other securities issued by entities of the AXA group entities. Where applicable, they have or will receive customary fees and commissions for these transactions.

The Issuer may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may also arise between the Calculation Agent, if any, for a Tranche and the Noteholders, including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Where a Dealer acts as Calculation Agent and/or as swap counterparty in respect of an issuance of Notes under the Programme, potential conflicts of interest may arise and, in particular, between the Calculation Agent and Noteholders with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Conditions that may influence the amounts to be paid in respect of such Notes.

#### *Change of law*

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

#### *French insolvency law*

Except as otherwise provided by the relevant Final Terms, the Noteholders, in respect of all Tranches in any Series, will be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 10.

However, under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in case of the opening in France of a safeguard procedure (*procédure de sauvegarde*), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer, in order to defend their common interests.

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

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated safeguard plan (*procédure de sauvegarde accélérée*), draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) 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 Noteholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into shares.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders expressing a vote). No quorum is required on convocation of the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus and if applicable, the relevant Final Terms, will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

#### *Taxation*

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

consideration has to be read in connection with the taxation sections of this Base Prospectus.

#### *Withholding Taxes - No gross-up obligation*

If any law or any agreement entered into with the the U.S. Internal Revenue Service (IRS) pursuant to to Foreign Account Tax Compliance Act ("**FATCA**") or an intergovernmental agreement implementing FATCA should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts in respect of any such deduction or withholding. Therefore, the corresponding risk will be borne by the Noteholders or, if applicable, the Receipholders and the Couponholders.

In addition, if any law or any agreement entered into with the IRS pursuant to FATCA or an intergovernmental agreement implementing FATCA, or by reason of a Noteholder having some connection with France other than the mere holding of the Notes, 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 or duties whatsoever, such Notes may not be redeemed early.

#### *Transactions on the Notes could be subject to a future European financial transaction tax*

On 14 February 2013, the European Commission adopted a proposal for a Council Directive (the "**Proposed Directive**") aiming for an enhanced cooperation with respect to the taxation of financial transactions, which if adopted w subject transactions involving financial institutions in securities such as the Notes to a financial transaction tax (the "**FTT**"). It is currently anticipated that the FTT will be implemented in ten member states of the EEA (Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain) (the "**Participating Member States**").

Pursuant to the Proposed Directive, the FTT could apply to persons both within and outside of the Participating Member States. Generally, it would apply to all financial transactions where at least one (1) party to the transaction, or person acting for the account of one party to the transaction, is established in a Participating Member State. However, the FTT should not apply to transactions on the primary market referred to in Article 5(c) of EC Regulation 1287/2006 dated 10 August 2006, including the subscription and allocation of financial instruments upon issuance. The FTT would be payable by each financial institution established, or deemed to be established, in a Participating Member State as long as (i) it is party to a transaction, or acts for the account of a party to a transaction, or (ii) the transaction has been entered into for its own account. The taxation rate would be left to the discretion of each Participating Member State but would not be less than 0.1 per cent. of the taxable amount for financial instruments other than derivative instruments.

Each prospective investor should bear in mind that, where the Proposed Directive would apply, selling or exchanging Notes would be subject to the FTT at a rate of at least 0.1 per cent. provided that the above mentioned requirements are met. As a result, each investor would either have to bear the FTT or reimburse the financial institution of the relevant amount.

If the proposed directive is adopted and implemented in local legislation, Noteholders may be exposed to increased transaction costs with respect to financial transactions carried out with respect to the Notes and the liquidity of the market for the Notes may be diminished.

The Proposed Directive is still subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or Participating Member States may decide to withdraw.

Prospective investors should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing, purchasing for, holding and disposing of the Notes.

### **3.4 Risks related to the market generally**

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

#### *Market value of the Notes*

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of the reference assets or an index, including, but not limited to, the volatility of the

reference assets or an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the Maturity Date.

The value of the Notes, the reference assets or the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the reference assets, the securities taken up in the index, or the index are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

#### *No active secondary/trading market for the Notes*

Notes issued under the Programme will be new securities which may not be widely distributed and for which there may be no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although in relation to Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and/or any other regulated market in the European Economic Area, the Final Terms of the Notes will be filed with the *Commission de surveillance du secteur financier* in Luxembourg and/or with the competent authority of the regulated market of the European Economic Area where the Notes will be admitted to trading, there is no assurance that such filings will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities. Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes may not be readily sellable, that the value of Notes may fluctuate over time and that such fluctuations may be significant.

Furthermore, the secondary market for securities is currently experiencing significantly reduced liquidity, which could limit investors' ability to resell Notes and adversely affect the price of Notes.

#### *Exchange rate risks and exchange controls*

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

Appreciation in the value of the investor's currency relative to the value of the applicable specified currency would result in a decrease in the investor's currency-equivalent yield on a Note denominated, or the principal of or return on which is payable, in such specified currency, in the investor's currency-equivalent value of the principal of such Note payable at maturity (if any) and generally in the investor's currency-equivalent market value of such Note. In addition, depending on the specific terms of a Note denominated in, or the payment of which is determined by reference to the value of, one or more specified currencies (other than solely the investor's currency), indices (including exchange rates and swap indices between currencies or currency units) or formulas, fluctuations in exchange rates relating to any of the currencies or currency units involved could result in a decrease in the effective yield on such Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of such Note to the investor.

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



### *Credit ratings may not reflect all risks*

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

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 as amended (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the relevant rating agencies as a result of changes in or unavailability of information or if, in the rating agencies' judgement, circumstances so warrant. Any rating agency other than Moody's Investors Service Ltd could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by Moody's Investors Service Ltd, such unsolicited ratings could have an adverse effect on the value of the Notes.

### *CRD IV package and new capital requirements*

The framework of the Basel Committee for Banking Supervision has been implemented under EU legislation through the "**CRD IV package**" which consists of the Capital Requirements Directive no. 2013/36/EU dated 26 June 2013 and the Capital Requirements Regulation no. 575/2013 dated 26 June 2013. A number of requirements arising from the CRD IV package was implemented under French law by the Banking Law, as amended by the *Ordonnance*. The implementation of the CRD IV package was finalised under French law by Order No. 2014-158 dated 20 February 2014 and several *décrets* and *arrêtés* dated 3 November 2014.

The implementation of the CRD IV package has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of CRD IV package will depend on the particular asset structure of each bank and its precise impact on the Issuer cannot be quantified with certainty at this time. The Issuer may operate its businesses in ways that are less profitable than its present operation in complying with the guidelines resulting from the transposition and application of the CRD IV package.

In addition, the implementation of CRD IV package could affect the risk weighting of the Notes in respect of certain investors to the extent that those investors are subject to the guidelines resulting from the implementation of the CRD IV package. On November 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including the CRD IV package, the BRRD and the SRM Regulation, the purpose of which is *inter alia* to reflect more accurately long-term funding risk and excessive leverage, increase the loss-absorption capacity of globally significant institutions, improve the treatment of market risks by increasing the risk sensitivity of the existing rules and increase convergence within the European Union in the area of insolvency law and restructuring proceedings, particularly through the introduction of a moratorium tool. These proposals remain subject to amendments by the Parliament and the Council and are scheduled to be adopted in 2019. It is not yet possible to assess the full impact of these proposals. Accordingly, recipients of this Base Prospectus should consult their own advisers as to the consequences and effects that the implementation of the CRD IV package could have on them.

### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it

operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

## GENERAL DESCRIPTION OF THE PROGRAMME

Words and expressions not defined below but defined in the section entitled "Glossary of Defined Terms" will have the same meaning when used below.

### 1. THE NOTES AND THE PROGRAMME

**Issuer:** AXA Bank Europe SCF, a limited liability company (*société anonyme*) incorporated under French law and duly licensed in France as specialised credit institution (*établissement de crédit spécialisé*) with the status of *société de crédit foncier* delivered by the *Autorité de contrôle prudentiel et de résolution*. AXA Bank Europe SCF is also duly registered by the Financial Services and Markets Authority as mortgage lender (*prêteur en crédit hypothécaire/kredietgever in hypothecair krediet*) in Belgium via free provision of services.

AXA Bank Europe SCF's assets are exclusively composed of assets that are eligible for *sociétés de crédit foncier* pursuant to the French legal framework applicable to *sociétés de crédit foncier* (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier*").

The contracts entered into by the Issuer as of the date of the Base Prospectus are further described in the section entitled "Relationship between AXA Bank Europe SCF and AXA Group Entities".

**Arranger:** BNP Paribas

**Permanent Dealers:** BNP Paribas  
Crédit Agricole Corporate and Investment Bank  
HSBC France  
ING Bank N.V.  
Natixis  
Société Générale

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one (1) or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the person referred to above as Dealer and to such additional persons that may be appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

**Description:** Euro Medium Term Note Programme for the issue of the Notes (as described herein) (the "**Programme**"). Under the Programme, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations foncières* (the "**Notes**"), benefiting from the statutory *Privilège* (priority right of payment) created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), as more fully described herein: a further description, see "Overview of the legislation and regulations relating to *sociétés de crédit foncier*".

**Programme Limit:** Up to € 9,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one (1) time.

**Fiscal Agent and Principal Paying Agent:** BNP Paribas Securities Services.

**Paying Agent:** BNP Paribas Securities Services (Euroclear France number 29106).

**Luxembourg Listing Agent:** BNP Paribas Securities Services, Luxembourg Branch.

- Calculation Agent:** BNP Paribas Securities Services, unless the Final Terms provide otherwise.
- Method of Issue:** The Notes may be issued on a syndicated or non-syndicated basis.
- The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates.
- The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant final terms (the "**Final Terms**").
- Maturities:** Subject to compliance with all relevant laws, regulations and directives, the Notes may have any maturity as specified in the relevant Final Terms (the "**Maturity Date**"), subject to such minimum maturity as may be required by the applicable legal and/or regulatory requirements.
- An extended final maturity date (the "**Extended Maturity Date**") may be specified in the Final Terms of a Tranche of Notes (the "**Extendible Notes**"). If an Extended Final Maturity Date is specified in the Final Terms of any Tranche of Notes and the Final Redemption Amount is not paid by the Issuer on the Maturity Date specified in the relevant Final Terms, such payment of unpaid amount will be automatically deferred and shall be due and payable on the Extended Maturity Date, provided that the Final Redemption Amount unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date occurring thereafter up to and including the Extended Maturity Date. Interest from (and excluding) the Maturity Date and up to (and including) the Extended Maturity Date will be specified in the applicable Final Terms, will accrue on any unpaid principal amount during such extended period and be payable on each Specified Interest Payment Date and on the Extended Maturity Date (if not earlier redeemed on an Specified Interest Payment Date) in accordance with the Conditions and the Final Terms of such Tranche of Extendible Notes.
- Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. dollars, Japanese yen, Sterling, Swiss francs and in any other currency specified in the relevant Final Terms.
- Denomination(s):** Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms, provided that all Notes admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of € 1,000 (or its equivalent in any other currency at the time of issue) or such higher amount as may be allowed or required from time to time in relation to the relevant Specified Currency.
- Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and they have a denomination of at least £100,000 or its equivalent.
- Under the Luxembourg Act dated 10 July 2005 on prospectuses for securities, which implements the Prospectus Directive, prospectuses for the listing of money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval

provisions of such Act and do not need to be approved by the CSSF.

Dematerialised Notes shall be issued in one denomination only.

**Status of Notes and  
Privilège:**

The principal and interest of the Notes (and where applicable any Receipts and Coupons) will constitute direct, unconditional, unsubordinated and privileged obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *Privilège* (priority right of payment) created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*).

The Notes will be issued under Articles L.513-2 to L.513-27 of the French Monetary and Financial Code (*Code monétaire et financier*). Noteholders benefit from the *Privilège* (priority right of payment) over all the assets and revenues of the Issuer. See "Terms and Conditions of the Notes - *Privilège*" and "Overview of the legislation and regulations relating to *sociétés de crédit foncier*".

**Negative Pledge:**

None. There is no negative pledge in respect of the Notes.

**Events of Default:**

None. The Terms and Conditions of the Notes do not contain events of default provisions.

**Redemption Amount:**

Subject to any laws and regulations applicable from time to time, the Notes will be redeemed at their Final Redemption Amount or, in the case of Instalment Notes, their final Instalment Amount.

**Optional Redemption:**

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer or the Noteholders (either in whole or in part) and, if so, the terms applicable to such redemption.

**Redemption by  
Instalments:**

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Early Redemption:**

Except as provided in paragraph "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for illegality (as provided in Condition 6 (j)).

**Interest Periods and  
Interest Rates:**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

**French Withholding  
Tax:**

Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax provided by Article 125 A III of the French General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of French General Tax Code (*Code général des impôts*) (a "**Non-Cooperative State**"). If such payments under the Notes are made outside France in a Non-Cooperative State, a 75% withholding tax will be applicable (regardless of the tax residence of the Noteholders) by virtue of Article 125 A, III of the French General Tax Code (*Code général des impôts*) (subject to exceptions, certain of which are set forth in the section "Taxation" and to the provisions of any applicable double

tax treaty). The list of Non-Cooperative States is published by a ministerial executive order and is updated on an annual basis.

A more detailed description of the tax regime applicable to the Notes is contained in the section "Taxation".

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

If any law or any agreement entered into with the IRS pursuant to FATCA or an intergovernmental agreement implementing FATCA should require that such payments be subject to deduction or withholding, the Issuer will not be required to pay any additional amounts in respect of any such deduction or withholding.

**Fixed Rate Notes:** Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

**Floating Rate Notes:** Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2013 FBF Master Agreement relating to transactions on forward financial instruments, as published by the *Fédération Bancaire Française*, or, as the case may be, an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., or
- (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR, EONIA, LIBOR or EUR CMS),

in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.

Unless otherwise specified in the Final Terms, the minimum rate of interest, being the relevant rate of interest plus any relevant margin, shall be deemed to be zero.

Interest periods will be specified in the Final Terms.

**Fixed/Floating Rate Notes:** Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.

**Inverse Floating Notes:** Inverse Floating Rate Notes may bear interest at a Fixed Rate minus a Floating Rate.

**Zero Coupon Notes:** Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

**Redenomination:** Notes issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1(d) - see "Terms and Conditions of the Notes – Redenomination".

<b>Consolidation:</b>	Notes of one Series may be consolidated with Notes of another Series as more fully provided in Condition 12 - see "Terms and Conditions of the Notes – Further Issues and Consolidation".
<b>Form of Notes:</b>	Notes may be issued in either dematerialised form (" <b>Dematerialised Notes</b> ") or in materialised form (" <b>Materialised Notes</b> ").  Dematerialised Notes may, at the option of the Issuer, be issued in bearer form ( <i>au porteur</i> ) or in registered form ( <i>au nominatif</i> ) and, in such latter case, at the option of the relevant holder, in either fully registered form ( <i>au nominatif pur</i> ) or administered registered form ( <i>au nominatif administré</i> ). No physical documents of title will be issued in respect of Dematerialised Notes. See Condition 1 - "Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination".  Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.
<b>Governing Law:</b>	French law.
<b>Clearing Systems:</b>	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream and Euroclear or, in any case, any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.
<b>Initial Delivery of Dematerialised Notes:</b>	One (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes:</b>	On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).
<b>Issue Price:</b>	The issue price will be determined in the relevant Final Terms. Notes may be issued at their nominal amount or at a discount or premium to their nominal amount, as set out in the relevant Final Terms.
<b>Approval, listing and Admission to Trading:</b>	Application has been made to the <i>Commission de surveillance du secteur financier</i> for approval of this document as a base prospectus. Application has been made for the 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 and/or any other Regulated Market in accordance with the Prospectus Directive or on an alternative stock exchange or market, as specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.
<b>Use of Proceeds:</b>	The net proceeds of the issue of the Notes will be used for financing assets referred to in Article L.513-2 of the French Monetary and Financial Code ( <i>Code monétaire et financier</i> ).
<b>Rating:</b>	Notes to be issued under the Programme are expected on issue to be rated Aaa by Moody's Investors Service Ltd (" <b>Moody's</b> "). The rating of Notes will be specified in the relevant Final Terms.  As at the date of this Base Prospectus, Moody's is established in the European Union and is registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website

(<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice.

**Risk factors:**

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

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

**Selling Restrictions:**

There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions (See "Subscription and Sale"). In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed in the relevant Final Terms.

The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

The 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 and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor regulation issued under the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B)) (the "**D Rules**") unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor regulation issued under Code section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B)) (the "**C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

## **2. The Facility Documents**

**The Facility Agreement:**

The proceeds from the issuance of the Notes under the Programme may be used by AXA Bank Europe SCF to fund Advances under the Facility Agreement to be made available to AXA Bank Belgium in aggregate maximum amount of 9,000,000,000 for the purpose of financing the general financial needs of AXA Bank Belgium.

The general terms and conditions regarding the calculation and the payment of principal and interest of any Advance under the Facility Agreement mirror, to the extent applicable, the Terms and Conditions of the Notes (see "Terms and Conditions of the Notes"). However, each Advance will not necessarily be financed by an issue of Notes under the Programme and the financial conditions



of each Advance therefore will not necessarily mirror the financial conditions of each issue of Notes.

Upon the occurrence of an Event of Default, AXA Bank Europe SCF (by itself or represented by the Administrator or any representative, agent or expert on its behalf) will, by sending an Enforcement Notice (such notice to constitute a *mise en demeure*) to AXA Bank Belgium (with copy to (i) the Administrator and (ii) Moody's), (x) declare that (i) no further Advances will be available under the Facility Agreement, and (ii) the then outstanding Advances are immediately due and payable and (y) enforce the rights of the Lender under the Collateral Security Agreements for the repayment of any sum due by AXA Bank Belgium under the Facility Agreement and not paid by AXA Bank Belgium (whether at its contractual due date or upon acceleration).

See "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Facility Agreement" for details.

**The Collateral Security Agreements:**

The French Collateral Security Agreement and Belgian Collateral Security Agreement set forth the terms and conditions upon which AXA Bank Belgium undertakes to, from time to time, pledge Eligible Collateral Assets to the benefit of AXA Bank Europe SCF in order to secure the payments, as they become due and payable, of all and any amounts owed by AXA Bank Belgium under the Programme Documents, whether in principal, interest, as fees, as indemnities or as guarantees and whether present or future (*i.e.* the Secured Liabilities).

For the purposes of the Collateral Security Agreements, an Eligible Collateral Asset means any Loan that complies with the Eligibility Criteria. In particular, the Loans must comply with the requirements of the legal framework applicable to *sociétés de crédit foncier* (see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Eligible receivables").

The pledge granted by AXA Bank Belgium over Collateral Security Assets in favour of AXA Bank Europe SCF under the French Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the provisions of Articles L.211-38 *et seq.* of the French Monetary and Financial Code implementing the Collateral Directive.

The pledge granted by AXA Bank Belgium over Collateral Security Assets in favour of AXA Bank Europe SCF under the Belgian Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the provisions of Article 4 of the Belgian Financial Collateral Act implementing the Collateral Directive.

See "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements" for details.

**Asset Cover Test under the Collateral Security Agreements:**

In addition to the statutory cover ratio which the Issuer is required to comply with as a société de crédit foncier (see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Cover ratio"), the Facility Calculation Agent will carry out the Asset Cover Test on each Asset Cover Test Date to ensure that the amount of Collateral Security required pursuant to the Collateral Security Agreements is in place.

Non-Compliance with Asset Cover Test would result from the Asset Cover Test Ratio being less than one (1). Upon Non-Compliance with Asset Cover Test on any Asset Cover Test Date, AXA Bank Belgium will (i) pledge additional Eligible Collateral Assets as Collateral Security, and/or (ii) request a substitution of Eligible Collateral Assets from the Collateral Security, in each case, as necessary to cure such Non-Compliance with Asset Cover Test (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Security Agreements – Asset Cover Test –

Calculation of Asset Cover Ratio" for details).

The failure by AXA Bank Belgium to cure a Non-Compliance with Asset Cover Test occurred on any Asset Cover Test Date prior to the next following Asset Cover Test Date will constitute a Breach of Asset Cover Test within the meaning of the Collateral Security Agreements.

A Breach of Asset Cover Test constitutes the occurrence of an Event of Default under the Facility Agreement (see "Facility Agreement - Events of Default" above).

**Collateral Servicing Agreement:**

The Collateral Servicing Agreement sets out the general terms and conditions under which (i) AXA Bank Europe SCF appoints AXA Bank Belgium as servicer in relation to the servicing, management and recovery of the Collateral Security Assets and (ii) AXA Bank Belgium exercises the control (*contrôle*) over such Collateral Security Assets on behalf of AXA Bank Europe SCF.

AXA Bank Belgium as servicer will perform the servicing, management and recovery of the Collateral Security Assets in accordance with applicable laws and the provisions of the Collateral Servicing Agreement, devoting the same amount of time and attention to, and exercising at least the same level of skill, care and diligence in, the performance of the services provided under the Collateral Servicing Agreement, as for the servicing, management and recovery of its assets not being the subject of the Collateral Security Assets.

AXA Bank Europe SCF may terminate the appointment of AXA Bank Belgium under the Collateral Servicing Agreement at its discretion, in case of a Servicer Rating Trigger Event or of a Servicing Termination Event.

See "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Servicing Agreement" for details.

**3. The Purchase Documents**

**Mortgage Loan Sale Agreement:**

The Mortgage Loan Sale Agreement sets out the general terms and conditions under which AXA Bank Europe SCF may purchase from time to time Loans together with the Loan Security and the Additional Security, from AXA Bank Belgium.

Each Loan will comply with the same Eligibility Criteria as those set out in respect of Eligible Collateral Assets (see "Facility Documents – Collateral Security Agreements – Eligible Collateral Assets").

**Repurchase of the Loans under the Mortgage Loan Sale Agreement:**

Subject to the terms and conditions under the Mortgage Loan Sale Agreement, AXA Bank Belgium has the obligation to repurchase the Loans and indemnify AXA Bank Europe SCF in the event of any breach of representation or warranties of the Eligibility Criteria (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Mortgage Loan Sale Agreement - Mandatory repurchase in case of breach of representations and warranties and Eligibility Criteria" for details).

AXA Bank Belgium has also the obligation to repurchase the Loans in the event of a Variation which is a Non-Permitted Variation of such Loans (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Mortgage Loan Sale Agreement - Permitted Variation and repurchase in case of Non-Permitted Variation" for details).

**Right of first refusal under the Mortgage Loan Sale Agreement:**

If at any time, but prior to a Notification Event, AXA Bank Europe SCF expresses its intention to sell or otherwise transfer all or part of the Portfolio pursuant to the MLSA and are at the relevant time still owned by AXA Bank Europe SCF, it will, prior to entering into such sale or transfer, forthwith notify AXA Bank Belgium of its intention and of the conditions, including the price or

the consideration, of such intended sale of transfer. AXA Bank Belgium will have the right (but not the obligation) to repurchase such part of the Portfolio from AXA Bank Europe SCF at such conditions.

**Servicing Agreement:**

The Servicing Agreement sets out (i) the general terms and conditions under which AXA Bank Europe SCF appoints AXA Bank Belgium in relation to the Loans and relating Loan Security and/or Additional Security and (ii) the powers and the responsibilities of AXA Bank Belgium as servicer.

AXA Bank Belgium as servicer will perform the administration of the Loans, the relating Loan Security and Additional Security in accordance with applicable laws and the provisions of the Servicing Agreement, devoting the same amount of time and attention to, and exercising at least the same level of skill, care and diligence in, the performance of the services provided under the Servicing Agreement, as far as it would if it were administering loans in respect of which it is the lender.

AXA Bank Europe SCF may terminate the appointment of AXA Bank Belgium under the Servicing Agreement at its discretion, in case of a Servicer Rating Trigger Event or of a Servicing Termination Event.

See "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Servicing Agreement" for details.

**4. Other documents**

**Mortgage promissory notes (*billets à ordre hypothécaires*):**

The Issuer has entered into a general framework agreement relating to mortgage promissory notes (*Convention Cadre de Mobilisation de Créances (Billet Hypothécaire)*) dated 14 November 2014 with AXA Banque under which AXA Bank Europe SCF may subscribe from time to time mortgage promissory notes (*billets à ordre hypothécaires*) issued by AXA Banque, the purpose of which are to refinance French residential loan receivables originated by AXA Banque. Any such mortgage promissory note will be issued by AXA Banque and subscribed by AXA Bank Europe SCF under a refinancing receivables agreement (*Convention de Mobilisation de Créances*).

Such loan receivables benefit from a guarantee (*cautionnement solidaire*) issued by Crédit Logement, a credit institution licensed by the *Autorité de contrôle prudentiel et de résolution* as a financing company (*société de financement*) which is not included in the scope of consolidation of AXA Bank Europe SCF.

The loan receivables originated by AXA Banque are currently serviced by Crédit Foncier de France. AXA Banque is responsible for servicing and custody of such loan receivables. AXA Banque sub-contracts the servicing and custody of the loan receivables originated by AXA Banque to Crédit Foncier de France. The Issuer, as subscriber of the mortgage promissory note (*billet à ordre hypothécaire*) issued by AXA Banque, benefits from this arrangement by a third party benefit mechanism (*stipulation pour autrui*).

**Cash Advance Agreement:**

The Cash Advance Agreement sets out the terms and conditions under which AXA Bank Belgium undertakes to (i) make cash advances to the Issuer on any Interest Payment Date, Instalment Date or Maturity Date (or Extended Maturity Date) of any Series of Notes (as determined in the Final Terms of such Series of Notes) issued by the Issuer or any payment date under any hedging agreement benefiting from the *Privilège*, (ii) each time a specific trigger event occurs, fund a reserve as further detailed below.

**Pre-Maturity Reserve under the Cash Advance Agreement:**

In the event that AXA Bank Belgium' short-term counterparty risk assessment from Moody's falls below "P-1(cr)" (or such other minimum ratings complying with the rating agencies' public methodologies and criteria in order to maintain the ratings of the Notes) during the nine (9) month period preceding the Maturity Date of any Series of Notes with hard bullet maturities and ending on, and including, such Maturity Date (a "**Pre-Maturity Reserve Test Period**")

and on a regular basis for so long as it is continuing during such Pre-Maturity Reserve Test Period (a "**Pre-Maturity Reserve Trigger Event**"), AXA Bank Belgium undertakes (a) to fund a Pre-Maturity Reserve (in cash and/or securities) in an amount (such amount being the "**Pre-Maturity Reserve Required Amount**") equal to the sum of (A) the aggregate amount of principal payable by the Issuer under all Series of Notes with hard bullet maturities during a 9 month period starting on such funding date and (B) the aggregate amount of any other debts benefiting from the *Privilège* during a 9 month period starting on such funding date (but, for the avoidance of doubt excluding the amount due by the Issuer under all Series of Notes with soft bullet maturities) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), for the benefit of the Issuer by crediting a pre-maturity reserve account as designated by the Issuer and (b) to maintain, on a rolling basis until such Pre-Maturity Reserve Trigger Event has ceased, the Pre-Maturity Reserve Required Amount in such pre-maturity reserve account.

The Pre-Maturity Reserve will only be funded in respect of Series of Notes which will have hard bullet maturities (*i.e.* not allowing the Maturity Date of the relevant Series to be extended), as specified in the relevant Final Terms and for an amount complying with a "*Pre-Maturity Test*" commensurate in accordance with the rating agencies' public methodologies to ensure that the Issuer will have sufficient funds to meet its payment obligations at maturity.

**Mortgage Promissory Notes Commingling Reserve under the Cash Advance Agreement:**

In the event that (such event, a "**Mortgage Promissory Notes Commingling Reserve Trigger Event**"):

(i) (a) as long as AXA Banque is wholly owned directly or indirectly by AXA S.A., the senior unsecured debt rating of AXA S.A. is assigned a rating by Moody's of less than "Baa3"; or (b) AXA Banque is no longer wholly owned, directly or indirectly, by AXA S.A.; and

(ii) AXA Banque has not taken any of the following actions as specified under the general framework agreement relating to mortgage promissory notes (*Convention Cadre de Mobilisation de Créances (Billet Hypothécaire)*):

- set up itself a reserve for an amount equal to the amount referred to the Mortgage Promissory Notes Commingling Reserve Required Amount (as defined below); or
- find any other solution to maintain the then current rating of any *obligations foncières* (including the Notes) issued by the Issuer and outstanding,

AXA Bank Belgium undertakes to fund a Mortgage Promissory Notes Commingling Reserve (in cash only) in an amount (such amount being the "**Mortgage Promissory Notes Commingling Reserve Required Amount**") equal to the greater of 110 per cent. of:

- (a) one (1) month of interest plus the principal received of the underlying receivables of the mortgage promissory notes issued by AXA Banque and subscribed by the Issuer; and
- (b) an amount equal to the aggregate amount of three (3) months of interest payable by the Issuer under any outstanding Series of Notes taking into account any related hedging agreement, and under any other debts benefiting from the *Privilège* (but, for the avoidance of doubt, excluding any double counting) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*).

The Mortgage Promissory Notes Commingling Reserve will be funded for the

benefit of the Issuer by crediting a mortgage promissory notes commingling reserve account as designated by the Issuer and maintained, on a rolling basis until such Mortgage Promissory Notes Commingling Reserve Trigger Event has ceased.

**Collection Loss Reserve under the Cash Advance Agreement:**

In the event that AXA Bank Belgium's rating is or falls below "Baa3cr" (long-term counterparty risk assessment) by Moody's (a "**Collection Loss Reserve Trigger Event**"), AXA Bank Belgium undertakes to fund a Collection Loss Reserve (in cash and/or securities) in an amount (such amount being the "**Collection Loss Reserve Required Amount**") equal to the greater of (i) the collections received by AXA Bank Belgium during the preceding one calendar month preceding the Collection Loss Reserve Trigger Event under both the Loans sold to the Issuer under the Mortgage Loan Sale Agreement and Loans granted as collateral security to the benefit of the Issuer under the Collateral Security Agreements and (ii) an amount equal to the sum of (A) the aggregate amount of interest payable by the Issuer under any outstanding Series of Notes, (B) any amount payable by the Issuer under any hedging agreement, (C) any other debts benefiting from the *Privilège* (but, for the avoidance of doubt and any double counting, excluding the amount due under the Notes or the hedging agreements) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) and (D) any fees payable by the Issuer.

The Collection Loss Reserve will be funded for the benefit of the Issuer by crediting a collection loss reserve account as designated by the Issuer and maintained, on a rolling basis until such Collection Loss Reserve Trigger Event has ceased.

**Hedging Agreements:**

In connection with the issue of Notes under the Programme, the Issuer has entered and may in future enter into certain hedging agreements and related hedging transactions with AXA Bank Belgium (or other banking entities) in its capacity as eligible hedging provider in accordance with relevant rating agency requirements. These hedging agreements and related hedging transactions are entered into by the Issuer as part of its hedging strategy to hedge interest rate and/or currency risk.

For a description of the Issuer's hedging strategy and the associated risks, see above under "Risk Factors – Interest rate and currency risks" and "Risk Factors – Credit risk on bank counterparties".

**Outsourcing Agreements:**

The Issuer has entered into two outsourcing services contracts (as amended from time to time): (i) a *contrat d'externalisation et de fourniture de services* with AXA Bank Belgium and AXA Banque (the "**Administrative Services Agreement**"), and (ii) a *convention de gestion* (in accordance with Article L.513-15 of the French Monetary and Financial Code (*Code monétaire et financier*)) with AXA Bank Belgium (the "**Management and Recovery Agreement**").

See "Description of the Issuer – Outsourcing Agreements".

**Senior loan agreements:**

The Issuer may in future enter into certain term senior loan agreements with AXA Bank Belgium in order to finance the general needs of the Issuer and/or certain expenses in connection with the issue of Notes under the Programme. The sums due by the Issuer (in interest or principal) under the term senior loan agreements will not benefit from the *Privilège* (priority of payments).

## SUPPLEMENT TO THE BASE PROSPECTUS

In connection with Notes admitted to trading on a Regulated Market, unless the Issuer does not intend to issue Notes under the Programme for the time being, if at any time during the duration of the Programme, there is any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer shall prepare a supplement to the Base Prospectus in accordance with Article 16 of the Prospectus Directive and Article 13 of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005) as amended (implementing the Prospectus Directive in Luxembourg) or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes, submit such supplement to the Base Prospectus or replacement Base Prospectus to the *Commission de Surveillance du Secteur Financier* in Luxembourg for approval and supply each Dealer, the Luxembourg Stock Exchange and the *Commission de Surveillance du Secteur Financier* in Luxembourg with such number of copies of such supplement to the Base Prospectus or replacement Base Prospectus, as may reasonably be requested.

Any supplement to the Base Prospectus shall be on the websites of (i) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (ii) the Issuer (<https://www.axabank.be/fr/a-propos-axa-banque/investor-relations-and-financial-information/covered-bonds>).

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously or simultaneously published with the *Commission de surveillance du secteur financier* and which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- the Annual Report of the Issuer (in the French language) which contains the audited financial statements (including the cash flow statements) of the Issuer for the period from 1 January 2016 to 31 December 2016 and the auditors' report thereon (the "**2016 Annual Report**");
- the Annual Report of the Issuer (in the French language) which contains the audited financial statements (including the cash flow statements) of the Issuer for the period from 1 January 2017 to 31 December 2017 and the auditors' report thereon (the "**2017 Annual Report**");
- the half-year financial report (*rapport financier semestriel*) of the Issuer (in the French language) which contains the semi-annual accounts for the six (6) months period ended 30 June 2018 and the statutory auditors' limited review report on such semi-annual accounts (the "**2018 Half-Year Financial Report**")
- the section "Terms and Conditions" of the base prospectus dated 5 December 2011 (the "**2011 Terms and Conditions**") (pages 29 to 51);
- the section "Terms and Conditions" of the base prospectus dated 16 July 2014 (the "**2014 Terms and Conditions**") (pages 33 to 56);
- the section "Terms and Conditions" of the base prospectus dated 7 March 2016 (the "**2016 Terms and Conditions**") (pages 66 to 92),
- the section "Terms and Conditions" of the base prospectus dated 3 March 2017 (the "**March 2017 Terms and Conditions**") (pages 68 to 91), and
- the section "Terms and Conditions" of the base prospectus dated 20 December 2017 (the "**December 2017 Terms and Conditions**") (pages 81 to 104),

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Any document incorporated by reference in this Base Prospectus may be obtained, without charge upon request, at the principal office of the Issuer and the Paying Agents set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding. Such document will be published on the websites of (i) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (ii) the Issuer (<https://www.axabank.be/fr/a-propos-axa-banque/investor-relations-and-financial-information/covered-bonds>).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below. The information incorporated by reference that is not included in the cross-reference list but included in the documents incorporated by reference, is considered as additional information, is not required by the relevant schedules of the Commission Regulation (EC) 809/2004 (as amended) and is given for information purposes only.

## CROSS REFERENCE LIST

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	
<b>Financial Statements for the period from 1 January 2016 to 31 December 2016</b>	<b>pages 25 to 41 of the 2016 Financial Statements</b>
- Balance Sheet ( <i>Bilan</i> ) relating to the above	page 26 of the 2016 Financial Statements
- Income Statement ( <i>Compte de résultat</i> ) relating to the above	page 28 of the 2016 Financial Statements
- Off-Balance Sheet ( <i>Hors bilan</i> ) relating to the above	page 27 of the 2016 Financial Statements
- cash flow statements ( <i>tableau de flux de trésorerie</i> )	page 41 of the 2016 Financial Statements
- Notes relating to the above	pages from 29 to 41 of the 2016 Financial Statements
- Auditors' report ( <i>Rapport des commissaires aux comptes sur les comptes annuels</i> ) relating to the above	pages 42 to 45 of the 2016 Financial Statements
<b>Financial Statements for the period from 1 January 2017 to 31 December 2017</b>	<b>pages 39 to 58 of the 2017 Financial Statements</b>
- Balance Sheet ( <i>Bilan</i> ) relating to the above	page 40 of the 2017 Financial Statements
- Income Statement ( <i>Compte de résultat</i> ) relating to the above	page 42 of the 2017 Financial Statements
- Off-Balance Sheet ( <i>Hors bilan</i> ) relating to the above	page 41 of the 2017 Financial Statements
- cash flow statements ( <i>tableau de flux de trésorerie</i> )	page 58 of the 2017 Financial Statements
- Notes relating to the above	pages from 43 to 58 of the 2017 Financial Statements
- Auditors' report ( <i>Rapport des commissaires aux comptes sur les comptes annuels</i> ) relating to the above	pages 59 to 61 of the 2017 Financial Statements
<b>Semi-annual accounts for the six (6) months period ended 30 June 2018</b>	<b>pages 16 to 19 of the 2018 Half-Year Financial Report</b>
- Balance Sheet ( <i>Bilan</i> ) relating to the above	pages 16 and 17 of the 2018 Half-Year Financial Report
- Income Statement ( <i>Compte de résultat</i> ) relating to the above	page 19 of the 2018 Half-Year Financial Report
- Off-Balance Sheet ( <i>Hors bilan</i> ) relating to the above	page 18 of the 2018 Half-Year Financial Report
- cash flow statements ( <i>tableau de flux de trésorerie</i> )	pages 41 to 43 of the 2018 Half-Year Financial Report
- Notes relating to the above	pages from 20 to 43 of the 2018 Half-Year Financial Report
- Auditors' limited review report ( <i>Rapport des commissaires aux comptes sur l'information financière semestrielle</i> ) relating to the above	pages form 44 to 47 of the 2018 Half-Year Financial Report*

\*Page references are to the PDF document number.



The 2011 EMTN Conditions, the 2014 EMTN Conditions, the 2016 EMTN Conditions, the March 2017 EMTN Conditions and the December 2017 EMTN Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the 2011 EMTN Conditions, the 2014 EMTN Conditions, the 2016 EMTN Conditions, the March 2017 EMTN Conditions and the December 2017 EMTN Conditions.

Information incorporated by reference	Reference
2011 EMTN Conditions	Pages 29 to 51
2014 EMTN Conditions	Pages 33 to 56
2016 EMTN Conditions	Pages 66 to 92
March 2017 EMTN Conditions	Pages 68 to 91
December 2017 EMTN Conditions	Pages 81 to 104

Non-incorporated parts of the base prospectuses of the Issuer dated 5 December 2011, 16 July 2014, 7 March 2016, 3 March 2017 and 20 December 2017 do not form part of this Base Prospectus and are not relevant for investors.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, as completed in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (in each case subject to simplification by the deletion of non-applicable provisions) shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References below to "Conditions" are, unless the context requires otherwise, to the numbered paragraphs below. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued by AXA Bank Europe SCF (the "**Issuer**") in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the final terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an amended and restated agency agreement dated 18 December 2018 (the "**Agency Agreement**") between the Issuer, BNP Paribas Securities Services, as fiscal agent and principal paying agent and the other agents named therein. The fiscal agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent(s)**". The holders of the interest coupons (the "**Coupons**") relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the "**Talons**") for further Coupons and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Materialised Notes of which the principal is redeemable in instalments are respectively referred to below as the "**Couponholders**" and the "**Receiptholders**".

For the purpose of these Terms and Conditions, "**Regulated Market**" means any regulated market situated in a Member State of the European Economic Area ("**EEA**") as defined in the Markets in Financial Instruments Directive 2014/65/EU dated 15 May 2014, as amended from time to time.

Copies of the Final Terms applicable to a Series of Notes may be obtained, upon request, free of charge, from the registered office of the Issuer and the specified offices of the Paying Agents provided that, if such Series of Notes is neither admitted to trading on a Regulated Market in the EEA nor offered in the EEA in circumstances where a Base Prospectus is required to be published under the Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended (the "**Prospectus Directive**"), the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and/or the relevant Paying Agent as to its holding of such Noteholders and identity.

### 1. Form, Denomination, Title and Redenomination

#### (a) Form

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as specified in the relevant Final Terms.

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French Monetary and Financial Code (*Code monétaire et financier*)) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depositary) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at

the option of the relevant holder in either administered registered form (*nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**Registration Agent**").

To the extent permitted by the applicable law, the Issuer may require from the central depository the identification of the Noteholders, unless such right is expressly excluded in the relevant Final Terms.

For the purpose of these Conditions, "**Account Holder**" means any intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and the depository bank for Clearstream Banking S.A. ("**Clearstream**").

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date or the Extended Maturity Date, if any), Coupons and Talons in these Conditions are not applicable. "**Instalment Notes**" are issued with one or more Receipts attached.

In accordance with Articles L.211-3 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*), securities (such as Notes constituting obligations under French law) in materialised form and governed by French law must be issued outside the French territory.

Materialised Notes and Dematerialised Notes may also be cleared through one or more clearing system(s) other than or in addition to Euroclear France, Euroclear and/or Clearstream Luxembourg, as may be specified in the relevant Final Terms.

The Notes may be "**Fixed Rate Notes**", "**Floating Rate Notes**", "**Fixed/Floating Rate Notes**", "**Zero Coupon Notes**", "**Inverse Floating Rate Notes**" or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in the relevant Final Terms.

## (b) Denomination

Notes shall be issued in the specified denomination(s) set out in the relevant Final Terms (the "**Specified Denomination(s)**"), save that the minimum denomination of all Notes admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive will be of €1,000 (or its equivalent in any other currency at the issue date of such Notes) or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Under the Luxembourg Act dated 10 July 2005 on prospectuses for securities, which implements the Prospectus Directive, prospectuses for the listing of money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of such Act and do not need to be approved by the CSSF.

Dematerialised Notes shall be issued in one Specified Denomination only.

## (c) Title

- (i) Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.

- (ii) Title to Definitive Materialised Notes, including, where appropriate, Receipt(s), Coupons and/or a Talon attached, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Coupon, Receipt or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions,

"**Noteholder**" or, as the case may be, "**holder of any Note**" means:

- (i) in the case of Dematerialised Notes, the individual or entity whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes;
- (ii) in the case of Definitive Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons, Receipts or Talons relating to it; and
- (iii) in the case of Materialised Notes in respect of which a Temporary Global Certificate has been issued and is outstanding, each person (other than a clearing institution) who appears as the holder of such Notes or of a particular nominal amount of interests in such Notes, in accordance with the applicable laws and regulations and with the applicable rules and procedure of any relevant clearing institution, including, without limitation, Euroclear France, Euroclear or Clearstream, as appropriate.

**(d) Redenomination**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt or Talon, by giving at least thirty (30) calendar days' notice in accordance with Condition 13 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "**EC**", as amended from time to time (the "**Treaty**")) or events have occurred which have substantially the same effects (in either case, "**EMU**"), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123(4) of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to holders of Notes in accordance with Condition 13. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to holders of Notes by the Issuer. For the avoidance of doubt, the minimum denomination of each redenominated Note shall not be less than €1,000.
- (iii) Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.
- (iv) The Issuer may, with the prior approval of the Fiscal Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 12, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 12 (including, without limitation, any change to any applicable business day definition,

business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to holders of Notes in accordance with Condition 13 as soon as practicable thereafter.

- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

## **2. Conversions and Exchanges of Notes**

### **(a) Dematerialised Notes**

- (i) Dematerialised Notes issued in bearer form (*au porteur*) may not be converted for Dematerialised Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered form (*au nominatif*) may not be converted for Dematerialised Notes in bearer form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article R.211-4 of the French Monetary and Financial Code (*Code monétaire et financier*). Any such conversion shall be effected at the cost of such holder.

### **(b) Materialised Notes**

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

In accordance with Articles L.211-3 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*), securities (such as Notes constituting *obligations* under French law) in materialised form and governed by French law must be issued outside the French territory.

## **3. Status**

The principal and interest of the Notes and, where applicable, any Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and, pursuant to the provisions of Condition 4, privileged obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (the "**Privilège**") created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) as described in Condition 4.

## **4. Privilège**

- (a) The principal and interest of the Notes benefit from the *Privilège* (priority right of payment) created by Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*).
- (b) Accordingly, notwithstanding any legal provisions to the contrary (including *Livre VI* of the French Commercial Code (*Code de Commerce*), pursuant to Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*):
  - (i) all amounts payable to the Issuer in respect of loans or assimilated receivables, exposures and securities referred to in Articles L.513-3 to L.513-7 of the French Monetary and Financial Code (*Code monétaire et financier*) and forward financial instruments referred to in Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*) (in each

case after any applicable set-off), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of any sums due in respect of *obligations foncières* such as the Notes, and any other resources raised by the Issuer and benefiting from the *Privilège*; it should be noted that not only Notes benefit from the *Privilège*; other resources (such as loans) and forward financial instruments (*i.e.* derivative transactions) for hedging Notes and such other resources as well as some ancillary expenses and as the sums, if any, due under the contract provided for in Article L.513-15 of the French Monetary and Financial Code (*Code monétaire et financier*) may also benefit from the *Privilège*; and

(ii) in the event of conciliation (*conciliation*), safeguard (*sauvegarde*), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) of the Issuer, all amounts due regularly under *obligations foncières* such as the Notes, and any other resources benefiting from the *Privilège*, are paid on their contractual due date, and in priority to all other debts, whether or not preferred, including interest resulting from agreements whatever their duration. Accordingly, until all creditors (including the Noteholders) benefiting from the *Privilège* have been fully paid, no other creditor of the Issuer may exercise any right over the assets and rights of the Issuer.

(c) The judicial liquidation (*liquidation judiciaire*) of the Issuer will not result in the acceleration of payment of *obligations foncières* such as the Notes.

## 5. Interest and other Calculations

### (a) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Benchmark**" means the reference rate set out in the relevant Final Terms, which shall be either the Euro Interbank Offered Rate ("**EURIBOR**"), the London Interbank Offered Rate ("**LIBOR**"), the Euro Overnight Index Average ("**EONIA**"), the mid-market annual swap rate for a euro denominated interest swap transaction ("**EUR CMS**") or any other reference rate.

"**Business Day**" means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer or any successor thereto (the "**TARGET 2 System**") is operating (a "**TARGET 2 Business Day**"), and/or
- (ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or
- (iii) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "**Calculation Period**"):

- (i) if "**Actual/Actual**", "**Actual/Actual-ISDA**", "**Act/Act**", "**Act/Act-ISDA**" or "**Actual/365-FBF**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/Actual-FBF**" is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:

- (x) the number of complete years shall be counted back from the last day of the Calculation Period;
- (y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;

(iii) if "**Actual/Actual-ICMA**" or "**Act/Act-ICMA**" is specified in the relevant Final Terms:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one (1) Determination Period, the sum of:

- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where

**"Determination Period"** means the period from and including a Determination Date in any year to but excluding the next Determination Date, and

**"Determination Date"** means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date;

(iv) if "**Actual/365 (Fixed)**", "**Act/365 (Fixed)**", "**A/365 (Fixed)**" or "**A/365 F**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;

(v) if "**Actual/360**", "**Act/360**" or "**A/360**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{1}{360} \times [[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

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

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

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

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

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

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

- (vii) if "**30/360-FBF**" or "**Actual 30A/360 (American Bond Basis)**" is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360-FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first day is neither the 30th nor the 31st, the last month of the Calculation Period shall be deemed to be a month of thirty-one (31) calendar days,

using the same abbreviations as for 30E/360-FBF, the fraction is:

If  $dd2 = 31$  and  $dd1 \neq (30,31)$

then:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)];$$

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

$$\text{Day Count Fraction} = \frac{1}{360} \times [[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

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

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

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

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

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

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

- (ix) if "**30E/360-FBF**" is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising twelve (12) months of thirty (30) calendar days, subject to the following the exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days,

where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

the fraction is:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)].$$

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



$$\text{Day Count Fraction} = \frac{1}{360} \times [(360 \times (Y2 - Y1)) + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

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

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

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

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

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

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

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**Euro Zone**" means the region comprised of member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty.

"**FBF Definitions**" means the definitions set out in the 2013 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*), as supplemented or amended as at the Issue Date, as published by the *Fédération Bancaire Française* (together the "**FBF Master Agreement**"), a copy of which is available on the website of the *Fédération Bancaire Française* ([www.fbf.fr](http://www.fbf.fr)).

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

"**Interest Amount**" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as specified in the relevant Final Terms, as the case may be.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) TARGET 2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

"**Interest Payment Date**" means the date(s) specified in the relevant Final Terms.

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

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

"**ISDA Definitions**" means the 2006 ISDA Definitions, as supplemented or amended as at the date of issue of the first Tranche of the relevant Series, as published by the International Swaps and Derivatives Association, Inc., a copy of which is available on the website of the International Swaps and Derivatives

Association, Inc.(www.isda.org). Investors should consult the Issuer should they require a copy of the ISDA Definitions.

**"Margin"** means for an Interest Accrual Period with respect to any Floating Rate Note, the percentage or basis points for the applicable Interest Accrual Period, as indicated in the relevant Final Terms, it being specified that such margin may have a positive value, a negative value or equal zero.

**"Outstanding"** or **"outstanding"** means, in relation to Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in these Conditions, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one (1) or more Definitive Materialised Notes, pursuant to its provisions.

**"Page"** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

**"Primary Source"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the primary source specified as such in the relevant Final Terms.

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

**"Reference Banks"** means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money or swap market) that is most closely connected with the Benchmark (which, if EURIBOR, EONIA or EUR CMS is the relevant Benchmark, shall be the Euro-zone, and if LIBOR is the relevant Benchmark, shall be London).

**"Relevant Date"** means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven (7) calendar days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**"Relevant Financial Centre"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, EONIA or EUR CMS, shall be the Euro-zone and in the case of LIBOR, shall be London) or, if none is so connected, Paris.

**"Relevant Rate"** means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

**"Relevant Time"** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of

deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose "**local time**" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11:00 a.m. (Brussels time).

"**Representative Amount**" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

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

"**Specified Duration**" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii).

**(b) Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Final Terms.

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

**(c) Interest on Floating Rate Notes**

(i) *Interest Payment Dates*: Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the "**Floating Rate Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the "**Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day, (C) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in (i) the relevant Final Terms and (ii) the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*Echange*) in the relevant Specified Currency incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms; and
- (b) the Floating Rate Determination Date is as specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**" and "**Floating Rate Determination Date**" are translations of the French terms "*Taux Variable*", "*Agent*" and "*Date de Détermination du Taux Variable*", respectively, which have the meanings given to those terms in the FBF Definitions.

In the applicable Final Terms, when the paragraph "Floating Rate" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate, one of which shall be determined as if the maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

(B) ISDA Determination for Floating Rate Notes

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

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

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

In the applicable Final Terms, when the paragraph "Floating Rate Option" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

(C) Screen Rate Determination for Floating Rate Notes

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

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
  - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
  - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any);

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Final Terms) the Margin (if any); and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period);
- (d) Notwithstanding paragraphs (a) to (c) above, if, at any time prior to or on any Interest Determination Date, the Issuer in consultation with the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, that the screen rate that constitutes the Relevant Rate has been discontinued or that an Administrator/Benchmark Event has occurred:
  - (1) the Issuer will as soon as reasonably practicable (and in any event prior to the next following Interest Determination Date (up until which time paragraph (2) above will continue to apply)) appoint an agent (the "**Relevant Rate Determination Agent**") that shall determine, acting in good faith and in a commercially reasonable manner whether, for the purposes of determining the Relevant Rate on each following Interest Determination Date, a substitute or successor rate is available, being a rate that is most comparable to the Relevant Rate. If the Relevant Rate Determination Agent

determines that there is an industry-accepted substitute or successor rate, the Relevant Rate Determination Agent will use such substitute or successor rate to determine the Relevant Rate (such rate, the "**Replacement Relevant Rate**"). The Relevant Rate Determination Agent may be (i) a leading bank or a broker-dealer in the Principal Financial Centre of the Specified Currency (which may include one of the Dealers involved in the issue of the Floating Rate Notes), (ii) an independent financial adviser, and/or (iii) the Calculation Agent;

- (2) if the Relevant Rate Determination Agent has determined a Replacement Relevant Rate in accordance with the foregoing, the Relevant Rate Determination Agent will also determine concomitant changes (if any) to the Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Relevant Rate, and such other changes or adjustments necessary to make such Replacement Relevant Rate as comparable as possible to the Relevant Rate, in each case in a manner that is consistent with industry-accepted practices for such Replacement Relevant Rate and such guidance promulgated by associations involved in the establishment of market standards and/or protocols in the international financial and/or debt capital markets as the Relevant Rate Determination Agent may consider relevant for such Replacement Relevant Rate;
- (3) references to the "Relevant Rate" in these Conditions will thenceforth be deemed to be references to the Replacement Relevant Rate, including any concomitant changes and adjustments determined in accordance with paragraph (2) above. The determination of the Replacement Relevant Rate and such concomitant changes and adjustments by the Relevant Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Fiscal Agent, the Noteholders and any other person and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and such related changes and adjustments pursuant to this paragraph (d); and
- (4) as soon as reasonably practicable, the Relevant Rate Determination Agent will notify the Issuer of the foregoing and the Issuer will give notice to the Noteholders (in accordance with Condition 13 (Notices)) and the Fiscal Agent specifying the Replacement Relevant Rate, as well as the concomitant changes and adjustments determined in accordance with paragraph (2) above.

If the Relevant Rate Determination Agent has determined that the Relevant Rate has been discontinued and/or an Administrator/Benchmark Event has occurred, and for any reason a Replacement Relevant Rate has not been or cannot be determined on or prior to the next following Interest Determination Date, then no Replacement Relevant Rate will be adopted, and in such case, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

Where:

**"Administrator/Benchmark Event"** means, in relation to any Floating Rate Notes and a Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event.

**"Benchmark Modification or Cessation Event"** means, in respect of any Floating Rate Notes and a Benchmark:

- (a) any material changes in such Benchmark;
- (b) the permanent or indefinite cancellation or cessation in the provision of such Benchmark;
- (c) a relevant regulator or other official sector entity prohibits the use of such Benchmark.

**"Non-Approval Event"** means, in respect of the Benchmark:

- (a) any authorisation, registration, recognition, endorsement, equivalence or approval in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be obtained;
- (b) the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be included in an official register; or
- (c) the Benchmark or the administrator or sponsor of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Floating Rate Notes, the Issuer, the Calculation Agent or the Benchmark,

in each case, as required under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes. For the avoidance of doubt, a Non-Approval Event shall not occur if, notwithstanding that the Benchmark or the administrator or sponsor of the Benchmark is not or will not be included in an official register because its authorisation, registration, recognition, endorsement, equivalence or approval is suspended, at the time of such suspension the continued provision and use of the Benchmark is nevertheless permitted in respect of the Floating Rate Notes under applicable law or regulation during the period of such suspension.

**"Rejection Event"** means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required in relation to the Floating Rate Notes, the Benchmark or the administrator or sponsor of the Benchmark under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes.

**"Suspension/Withdrawal Event"** means, in respect of the Benchmark:

- (x) the relevant competent authority or other relevant official body suspends or withdraws or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator or sponsor of the Benchmark which is required under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes; or
- (y) the Benchmark or the administrator or sponsor of the Benchmark is or will be removed from any official register where inclusion in such register is or will be required under any applicable law in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is or will be suspended or where inclusion in any official register is or will be withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Benchmark is permitted in respect of the Floating Rate Notes under applicable law or regulation during the period of such suspension or withdrawal.

In the relevant Final Terms, when the paragraph "Benchmark" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two (2) rates based on the relevant Benchmark, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

- (D) Minimum Rate of Interest for Floating Rate Notes: Unless otherwise specified in the Final Terms, the "Minimum Rate of Interest", being the relevant rate of interest plus any relevant margin, shall be deemed to be zero.

**(d) Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date (or the Extended Maturity Date, if any) pursuant to an Issuer's Option or, if so specified in the relevant Final Terms, pursuant to Condition 6(e) or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date (or the Extended Maturity Date, if any) shall be the Early Redemption Amount. As from the Maturity Date (or the Extended Maturity Date, if any), the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(e)).

**(e) Fixed/Floating Rate Notes**

Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate at the date(s) set out in the Final Terms.

**(f) Inverse Floating Rate Notes**

Inverse Floating Rate Notes bear interest at a Fixed Rate (as determined in Condition 5(b) minus a Floating Rate as determined in Condition 5(c), as specified in the relevant Final Terms.

**(g) Accrual of interest**

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.

**(h) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**

- (a) If any Margin is specified in the relevant Final Terms, either (x) generally or (y) in relation to one or more Interest Accrual Periods, an adjustment shall be made to all Rates of Interest in the case of (x), or to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 5(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (b) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (c) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (w) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) otherwise all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (y) all figures shall be rounded to seven figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

**(i) Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count



Fraction, unless an Interest Amount is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

**(j) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

The Calculation Agent, as soon as practicable on such date as it may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, shall calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**(k) Calculation Agent and Reference Banks**

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer will appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris or Luxembourg office, as appropriate, or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. As long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 13.

**6. Redemption, Purchase and Options**

**(a) Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms in accordance with the paragraph below and/or including the Call Option in accordance with Condition 6(c), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its principal amount or such higher amount

as may be specified in the relevant Final Terms (the "**Final Redemption Amount**") or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.

An extended final maturity date (the "**Extended Maturity Date**") may be specified in the Final Terms of a Tranche of Notes (the "**Extendible Notes**"). If an Extended Final Maturity Date is specified in the Final Terms of any Tranche of Notes and the Final Redemption Amount is not paid by the Issuer on the Maturity Date specified in the relevant Final Terms, such payment of unpaid amount will be automatically deferred and shall be due and payable on the Extended Maturity Date, provided that the Final Redemption Amount unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date occurring thereafter up to and including the Extended Maturity Date. Interest from (and excluding) the Maturity Date and up to (and including) the Extended Maturity Date will be specified in the applicable Final Terms, will accrue on any unpaid principal amount during such extended period and be payable on each Specified Interest Payment Date and on the Extended Maturity Date (if not earlier redeemed on an Specified Interest Payment Date) in accordance with these Conditions and the Final Terms of such Tranche of Extendible Notes.

**(b) Redemption by Instalments**

Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to the Issuer's option in accordance with Condition 6(c), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

**(c) Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption**

If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all the relevant laws, regulations and directives and upon giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 13 to the holders of Notes (or such other notice period as may be specified in the relevant Final Terms) redeem in relation to all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date (as specified in the Final Terms), as the case may be. Any such redemption of Notes shall be, in respect of any Note, its principal amount or such higher amount as may be specified in, or determined in accordance with the relevant Final Terms (the "**Optional Redemption Amount**") together with interest accrued to the date fixed for redemption, if any. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's Option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market requirements.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption shall be effected by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed, subject to compliance with any other applicable laws and Regulated Market requirements.

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on the Regulated Market of the

Luxembourg Stock Exchange and the rules of such Stock Exchange so permit, on the website of the Luxembourg Stock Exchange (www.bourse.lu) or (ii) in a leading newspaper with general circulation in the city where the Regulated Market on which such Notes are admitted to trading is located, which in the case of the Regulated Market of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

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

If a Put Option is specified in the relevant Final Terms the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option, the Noteholder must deposit with a Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during normal business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent with a specified office in Paris, as specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

**(e) Early Redemption**

*(i) Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(j) shall be the Amortised Nominal Amount (calculated as provided below) of such Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date (or the Extended Maturity Date, if any) discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6 (j) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date (or the Extended Maturity Date, if any), in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date (or the Extended Maturity Date, if any) together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Final Terms.

*(ii) Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption.

**(f) No Redemption for Taxation Reasons**

If any law or any agreement entered into with the U.S. Internal Revenue Service (IRS) pursuant to Foreign Account Tax Compliance Act ("FATCA") or an intergovernmental agreement implementing FATCA, or by reason of a Noteholder having some connection with France other than the mere holding of the Notes, 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 or duties whatsoever, such Notes may not be redeemed early.

**(g) Purchases**

The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price, subject to the applicable laws and/or regulations, and, in particular, to Condition 6 (h) below.

Notes so purchased by the Issuer may be held in accordance with applicable laws and regulations, or cancelled in accordance with Condition 6 (i) below.

**(h) Subscription by the Issuer of Notes as collateral with the *Banque de France***

Pursuant to Article L.513-26 of the French Monetary and Financial Code (*Code monétaire et financier*), the Issuer as *société de crédit foncier* may subscribe to its own Notes for the sole purpose of granting them as collateral for the credit operations of the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations in the event that the Issuer cannot meet its liquidity needs from any other sources. The Notes thus subscribed by the Issuer must meet the following conditions:

- their outstanding principal amount does not exceed 10 per cent. of the outstanding principal amount of any liabilities of the Issuer benefiting from the *Privilège* on the date of their subscription;
- they are deprived of the rights provided for under Articles L.228-46 to L.228-89 of the French Commercial Code (*Code de commerce*) for so long as they are held by the Issuer;
- they are granted as collateral to the *Banque de France* within an 8-day period starting from their settlement date (otherwise, they shall be cancelled by the Issuer at the end of such 8-day period); and
- they cannot be subscribed by a third party.

In any case, any such Notes subscribed by the Issuer shall be cancelled within an 8-day period starting from the date they are no longer granted as collateral with the *Banque de France*.

The specific controller of the Issuer must certify that these conditions are met in a report delivered to the *Autorité de contrôle prudentiel et de résolution*.

**(i) Cancellation**

All Notes purchased or subscribed by the Issuer for cancellation, will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

**(j) Illegality**

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

**7. Payments and Talons**

**(a) Dematerialised Notes**

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank (as defined below) designated by the relevant holder of Notes. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

**(b) Definitive Materialised Notes**

*(i) Method of payment*

Subject as provided below, payments in a Specified Currency will be made by credit or transfer to an account denominated in the relevant Specified Currency, or to which the Specified Currency may be credited or transferred (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is euro, shall be any country in the Euro-zone).

*(ii) Presentation and surrender of Definitive Materialised Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of partial payment of any sum due, annotation) of such Notes, and payments of interest in respect of Definitive Materialised Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Materialised Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Materialised Note to which it appertains. Receipts presented without the Definitive Materialised Note to which they appertain do not constitute valid obligations of the Issuer.

Upon the date upon which any Definitive Materialised Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment will be made in respect thereof.

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be

issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten (10) years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five (5) years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date (or the Extended Maturity Date, if any), all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note in definitive form becomes due and repayable prior to its Maturity Date (or the Extended Maturity Date, if any), unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

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

**(c) Payments in the United States**

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

**(d) Payments subject to Fiscal Laws**

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

**(e) Appointment of Agents**

The Fiscal Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) Paying Agents having specified offices in at least two major European cities and ensuring the financial services of the Notes in Luxembourg so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and, so long as the Notes are admitted to trading on any other Regulated Market, in such other city where the Notes are admitted to trading, (iv) in the case of Dematerialised Notes in fully registered form, a Registration Agent and (v) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 13.

**(f) Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

**(g) Business Days for Payment**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (the "**Adjusted Payment Date**"), nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) in such jurisdictions as shall be specified as "**Financial Centre(s)**" in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET 2 Business Day.

**(h) Bank**

For the purpose of this Condition 7, "**Bank**" means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET 2 System.

**8. Taxation**

**(a) Withholding Tax**

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

**(b) No Additional Amounts**

If any law or any agreement entered into with the U.S. Internal Revenue Service (IRS) pursuant to FATCA or an intergovernmental agreement implementing FATCA, or by reason of a Noteholder having some connection with France other than the mere holding of the Notes, should require that payments of principal or interest in respect of any Note or any Receipt or Coupon relating thereto, be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will not be required to pay any additional amounts in respect of any such withholding or deduction.

**9. Prescription**

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

**10. Representation of Noteholders**

The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a masse (the "**Masse**") which will be governed by the provisions of Articles L.228-46 *et seq.* of the French Commercial Code (*Code de Commerce*) as supplemented by this Condition 10.

**(a) Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through collective decisions of the Noteholders (the "**Collective Decisions**").

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

**(b) Representative**

The names and addresses of the Representative and its alternate (if any), will be set out in the relevant Final Terms.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms. No additional remuneration is payable in relation to any subsequent Tranche of any given Series.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by its alternate, if any. Another Representative may be appointed.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative (if any) at the head office of the Issuer.

**(c) Powers of the Representative**

The Representative shall (in the absence of any Collective Decision to the contrary and except as provided by paragraph 1 of Article L.513-24 of the French Monetary and Financial Code (*Code monétaire et financier*)) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative except that, should safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) proceedings be commenced against the Issuer, the specific controller would file the proof of debt of all creditors (including the Noteholders) of the Issuer benefiting from the *Privilège*.

**(d) Collective Decisions**

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), (ii) by unanimous consent of the Noteholders following a written consultation (the "**Written Unanimous Decision**") or (iii) by the consent of one or more Noteholders holding together at least 75 per cent. of the principal amount of the Notes outstanding, following a written consultation (the "**Written Majority Decision**").

In accordance with Article R.228-71 of the French Commercial Code (*Code de Commerce*), the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder, Issuer or Registration Agent (as the case may be) of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

*(i) General Meetings*



A General Meeting may be called at any time, either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of the principal amount of Notes outstanding, may address to the Issuer and the Representative a demand for a General Meeting to be called. If such General Meeting has not been called within two (2) months after such demand, the Noteholders may commission one of them to petition the competent court to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3) majority of votes held by the Noteholders attending such General Meeting or represented thereat, except when the General Meeting deliberates on any proposal for a merger or demerger of the Issuer in the circumstances provided for under Articles L.236-13 and L.236-18 of the French Commercial Code (*Code de Commerce*), in which case the decision will be taken by a simple majority of votes held by the Noteholders attending such General Meeting or represented thereat.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 10(h) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy or by correspondence.

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, and during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

(ii) *Written Decision*

At the initiative of the Issuer, Collective Decisions may also be taken by Written Unanimous Decisions or Written Majority Decisions.

(a) *Written Unanimous Decision*

Written Unanimous Decisions shall be signed by or on behalf of all the Noteholders without having to comply with formalities and time limits referred to in Condition 10(d)(i). Approval of a Written Unanimous Decision may also be given by way of electronic communication allowing the identification of Noteholders in accordance with Article L.228-46-1 of the French Commercial Code ("**Electronic Consent**"). Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Such Written Unanimous Decision may be contained in one document, or in several documents in like form each signed by or on behalf of one or more of such Noteholders, and shall be published in accordance with Condition 10(h).

(b) *Written Majority Decision*

Notices seeking the approval of a Written Majority Decision will be published as provided under Condition 10(h) no less than 15 calendar days prior to the date fixed for the passing of such Written Majority Decision (the "**Written Majority Decision Date**"). Notices seeking the approval of a Written Majority Decision will contain the conditions of form and time limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Majority Decision. Noteholders expressing their approval or rejection before the Written Majority Decision Date will undertake not to dispose of their Notes until after the Written Majority Decision Date.

Written Majority Decisions shall be signed by one or more Noteholders holding together at least 75 per cent. of the principal amount of the Notes outstanding without having to comply with formalities and time limits referred to in Condition 10(d)(i). Approval of a Written Majority Decision may also be given by Electronic Consent. Such Written Majority Decisions may be contained in one

document, or in several documents in like form each signed by or on one behalf of one or more of the Noteholders, and shall be published in accordance with Condition 10(h).

(iii) *Exclusion of certain provisions of the French Commercial Code (Code de Commerce)*

The provisions of Article L.228-65 I. 1° and 4° of the French Commercial Code (*Code de Commerce*) and the related provisions of the French Commercial Code (*Code de Commerce*) shall not apply to the Notes.

**(e) Expenses**

The Issuer shall pay all expenses relating to the operations of the Masse, including all expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

**(f) Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 12, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all subsequent Tranches in such Series.

**(g) Sole Noteholder**

If and for so long as the Notes are held by a sole Noteholder, such Noteholder shall exercise all powers, rights and obligations entrusted to the Noteholders acting through Collective Decisions by the provisions of the French Commercial Code (*Code de Commerce*).

The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any Noteholder.

**(h) Notices to Noteholders**

Any notice to be given to Noteholders in accordance with this Condition 10 shall be given in accordance with Condition 13.

**(i) Full Masse**

For Notes issued with a denomination of less than €100,000 (or its equivalent in any other currency), Condition 10 shall apply to the Notes subject to the following amendments:

- (i) The second paragraph of Condition 10(d)(i) shall be deleted and replaced by the following paragraph:

"General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3) majority of votes held by the Noteholders attending such General Meeting or represented thereat."

- (ii) *Condition 10(d)(iii)* shall not apply to the Notes.

**11. Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

If, in the case of any Materialised Notes, a Definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for this purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case

may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **12. Further Issues and Consolidation**

### **(a) Further Issues**

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save as to the first payment of interest) and that the terms of such Notes provide for such assimilation, and references in these Conditions to "Notes" shall be construed accordingly.

### **(b) Consolidation**

The Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) calendar days' prior notice to the Noteholders in accordance with Condition 13, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

## **13. Notices**

- (a)** Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or (ii) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or, so long as such Notes are admitted to trading on any Regulated Market(s), in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading is located, which in the case of the Regulated Market of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*, or (iii) so long as such Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).
- (b)** Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (i) so long as such Notes are admitted to trading on any Regulated Market(s), in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are admitted to trading is located, which in the case of the Regulated Market of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*, or (ii) so long as such Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, they are published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).
- (c)** Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au porteur* or *au nominatif*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a), (b) et (c) above; provided that (i) so long as such Notes are admitted to trading on any Regulated Market(s) and the rules of that Regulated Market so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading is located, which in the case of the Regulated Market of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*, or (ii) so long as such Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, notices shall also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 10 shall also be published in a leading newspaper with general circulation in Europe.

- (d) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any notice given by publication shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

**14. Governing Law and Jurisdiction**

**(a) Governing Law**

The Notes (and, where applicable, the Receipts, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.

**(b) Jurisdiction**

Any claim against the Issuer in connection with any Notes (and, where applicable, the Receipts, the Coupons and the Talons) Receipts, Coupons or Talons may be brought before any competent court of the jurisdiction of the Paris Court of Appeal.

## **TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES**

### **Temporary Global Certificates**

A Temporary Global Certificate without interest coupons (a "**Temporary Global Certificate**") will initially be issued in connection with each Tranche of Materialised Notes, which will be delivered on or prior to the issue date of the Tranche with a common depository (the "**Common Depository**") for Euroclear Bank SA/NV ("**Euroclear**") and for Clearstream Banking S.A. ("**Clearstream** "). Upon the delivery of such Temporary Global Certificate with a Common Depository, Euroclear and Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, or other clearing systems.

### **Exchange**

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "General Description of the Programme-Selling Restrictions"), in whole, but not in part, for Definitive Materialised Notes and
- (ii) otherwise, in whole but not in part, upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) (or any successor regulation issued under the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") section 4701(b) containing rules identical to those applying under Code section 163(f)(2)(B)) as to non-U.S. beneficial ownership for Definitive Materialised Notes.

While any Materialised Note is represented by a Temporary Global Certificate, any payment payable in respect of such Materialised Note prior to the Exchange Date (as defined below) will be made only to the extent that the certification described in (ii) above has been received by Euroclear and/or Clearstream, and Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certification received) to the relevant Paying Agent. The holder of a Temporary Global Certificate will not be entitled to collect any payment due thereon on or after the Exchange Date unless, upon due certification as described above, exchange of the Temporary Global Certificate for an interest in Definitive Materialised Notes is improperly refused or withheld.

### **Delivery of Definitive Materialised Notes**

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, "**Definitive Materialised Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirement.

### **Exchange Date**

"**Exchange Date**" means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) calendar days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 12(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) calendar days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 365 days (and that are not relying on the TEFRA C Rules), the Temporary Global Certificate shall bear the following legend:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES FEDERAL INCOME TAX LAWS INCLUDING THE LIMITATION PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for financing the assets of the Issuer in accordance with the provisions of Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*).

## **OVERVIEW OF THE LEGISLATION AND REGULATIONS RELATING TO SOCIÉTÉS DE CRÉDIT FONCIER**

*The paragraphs below relating to the laws and regulations applicable to sociétés de crédit foncier are based on French laws and regulations in force as at the date of this Base Prospectus and should be read in conjunction with, as the case may be, any relevant instruction from the Autorité de contrôle prudentiel et de résolution or ministerial order published or as amended from time to time in respect of sociétés de crédit foncier.*

### **Entities entitled to issue *Obligations Foncières***

*Sociétés de crédit foncier* are specialised credit institutions (*établissements de crédit spécialisés*) and authorised to act as *sociétés de crédit foncier* by the *Autorité de contrôle prudentiel et de résolution*.

The legal and regulatory regime applicable to *sociétés de crédit foncier* results from the following provisions:

- Articles L.513-2 to L.513-27 of the French Monetary and Financial Code (*Code monétaire et financier*);
- Articles R.513-1 to R.513-18 of the French Monetary and Financial Code (*Code monétaire et financier*);
- Regulation 99-10 of the CRBF; and
- various regulations (*instructions*) relating to *sociétés de crédit foncier* issued by the *Autorité de contrôle prudentiel et de résolution*.

### **Eligible assets**

In accordance with the French current legal framework applicable to *sociétés de crédit foncier* on the date hereof, the eligible assets of a *société de crédit foncier* may only be:

- (i) secured loans which, in accordance with Article L.513-3 of the French Monetary and Financial Code (*Code monétaire et financier*), include loans which are secured by a first-ranking mortgage over an eligible real estate or by other real estate security interests that are equivalent to a first-ranking mortgage or loans that are guaranteed by a credit institution, financing company (*société de financement*) or an insurance company with a shareholder's equity of at least €12 million and which does not belong to the same group as the relevant *société de crédit foncier* according to Article L. 233-16 of the French Commercial Code (*Code de commerce*). The property must be located in France or in any other Member State of the European Union ("EU") or European Economic Area ("EEA") or in a State benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) given by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* as provided in Article L.511-44 of the French Monetary and Financial Code (*Code monétaire et financier*);
- (ii) exposures to public entities which, in accordance with Article L.513-4 of the French Monetary and Financial Code (*Code monétaire et financier*), include, *inter alia*, exposures to public entities such as states, central banks, local authorities or state-owned entities located within the EEA, in a Member State of the EC, in the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, or if not located in those jurisdictions, such public entities must comply with specific limits and level of credit assessment (*échelon de qualité de crédit*) given by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* as provided in Article L.511-44 of the French Monetary and Financial Code (*Code monétaire et financier*);
- (iii) units or notes (other than subordinated units or subordinated notes) issued by French *organismes de titrisation*, which are French securitisation vehicles, or other similar vehicles governed by the laws of a Member State of the European Union or EEA, the United States of America, Switzerland, Japan, Canada, Australia or New Zealand, the assets of which shall comprise at least 90 per cent., subject to certain exclusions as set forth below, of receivables similar to secured loans or exposures to public entities complying with the criteria defined in Articles L.513-3 and L.513-4 of the French Monetary and Financial Code (*Code monétaire et financier*) or other assets benefiting from the same level of guarantees as loans and exposures referred to in Articles L.513-3 and L.513-4 of the French Monetary and Financial Code (*Code monétaire et financier*); such units or notes must benefit from the highest



level of credit assessment (*meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to Article L.511-44 of the French Monetary and Financial Code (*Code monétaire et financier*); the similar vehicle shall be governed by the laws of a Member State of the European Union or EEA if the assets are composed of loans or exposures referred to in Article L.513-3 of the French Monetary and Financial Code (*Code monétaire et financier*); and such units or notes are refinanced within a limit of 10 per cent. of the nominal amount of the *obligations foncières* (i.e. the Notes) and other liabilities benefiting from the *Privilège*, except that, until 31 December 2017, (i) loans composing the assets of the vehicle which are transferred by an entity belonging to the same group or affiliated to the same central body as the Issuer and (ii) subordinated units of the vehicle which are kept by such entity will be deemed to comply with such criteria (the "**Exemption**");

- (iv) mortgage promissory notes (*billets à ordre hypothécaires*) governed by Article L.313-42 *et seq.* of French Monetary and Financial Code (*Code monétaire et financier*) provided that the receivables refinanced by such mortgage promissory notes satisfy the conditions set out in Article L.513-3 of the French Monetary and Financial Code (*Code monétaire et financier*) (see paragraph (i) above); and/or
- (v) grant loans guaranteed by the collateralisation (*remise*), the assignment (*cession*) or the pledge (*nantissement*) of receivables pursuant to and in accordance with the provisions of Articles L.211-36 to L.211-40 or Articles L.313-23 to L.313-35 of the French Monetary and Financial Code (*Code monétaire et financier*), regardless of the nature of such receivables, professional or otherwise, provided that they satisfy the eligibility criteria set out in Article L.513-3 of the French Monetary and Financial Code (*Code monétaire et financier*).

With respect to the Issuer, given that the Issuer's prime purpose is the refinancing of residential mortgage loans, the eligible assets of the Issuer mainly consist in:

- a portfolio of residential mortgage loans originated by AXA Bank Belgium and purchased by the Issuer under the Purchase Documents (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents" for details);
- mortgage promissory notes (*billets à ordre hypothécaire*) governed by Articles L.313-42 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) issued by AXA Banque (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Mortgage promissory notes (*billets à ordre hypothécaires*)" for details); and
- various substitution assets (*valeurs de remplacement*) and other assets that are eligible as collateral to credit transactions with the Banque de France (see "Liquidity needs" below).

The Issuer may also grant loans to AXA Bank Belgium which will be guaranteed by a pledge (*nantissement*) of receivables which will satisfy the eligibility criteria set out in Article L.513-3 of the French Monetary and Financial Code (*Code monétaire et financier*) (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents" for details).

In addition, like any *société de crédit foncier*, the Issuer is not allowed to make any other investments, except investments in assets which are sufficiently secure and liquid to be held as replacement values (*valeurs de remplacement*), as defined in Article R.513-6 of the French Monetary and Financial Code (*Code monétaire et financier*).

In addition, according to Articles L.513-7 and R.513-6 of the French Monetary and Financial Code (*Code monétaire et financier*), the Issuer may hold securities, values or deposits which are sufficiently secure and liquid as replacement assets (*valeurs de remplacement*).

Those replacement assets may only comprise exposures on credit institutions or investment firms benefiting from the highest level of credit assessment (*meilleur échelon de qualité de crédit*) or guaranteed by credit institutions or investment firms of the same level of credit assessment or when the remaining maturity of such exposures on credit institutions or investment firms is less than 100 calendar days, the second highest level of credit assessment (*second meilleur échelon de qualité de crédit*) assigned by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution* pursuant to Article L.511-44 of the French Monetary and Financial Code (*Code monétaire et financier*), or guaranteed by credit institutions or investment firms benefiting from the same credit assessment.

The total amount of such replacement assets must not exceed 15 per cent. of the nominal amount of the *obligations foncières* issued by the Issuer and other resources benefiting from the *Privilège* as described in the

section entitled "Overview of the legislation and regulations relating to *sociétés de crédit foncier – Privilège* and non-privileged debts".

Pursuant to Article 13 of Regulation 99-10 of the CRBF, the Issuer must send to the *Autorité de contrôle prudentiel et de résolution* no later than on 10 June of each year information relating to the quality of its financed assets. This report is published within 45 calendar days of a general meeting approving the financial statements of the year then ended. In particular, the characteristics, details of the distribution of loans, exposures and guarantees, the total of any unpaid amounts, the distribution of debts by amount and by category of debtors, the proportion of early repayments, and the level and sensitivity of the position of rates are required to be included as part of the latter report. In addition, according to Article L.513-9 of the French Monetary and Financial Code (*Code monétaire et financier*), the Issuer must publish every quarter a report containing the same information relating to the quality of its assets, together with information relating to the duration of the loans, securities and instruments to be financed. Such report is available for viewing on the Issuer's website (<https://www.axabank.be/ft/a-propos-axa-banque/investor-relations-and-financial-information/covered-bonds>). In addition, pursuant to Article 5 of Regulation 99-10 of the CRBF, the Issuer must publish a report (which must be attached to its annual report) on the valuation and the methods for the periodic review of real properties values financed by loans which are eligible assets of a *société de crédit foncier* or used as collateral on such loans.

Pursuant to Article R.513-18 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must keep the record of all loans made available by it or acquired by it. This record must specify the type and value of the security and guarantees attached to such loans and the type and amount of the liabilities benefiting from the *Privilège*.

#### **Financing portion (*quotité de financement*)**

In accordance with the French legal framework applicable to *sociétés de crédit foncier*, the Issuer may only finance eligible assets in the form of residential mortgage loans through issuance of *obligations foncières* up to the lower of the following amounts:

- the principal outstanding amount of the loan;
- the product of (i) the value of the charged residential real estate securing the loan and (ii) the applicable "financing portion" (*quotité de financement*) referred to in Article R. 513-1 of the French Monetary and Financial Code (*Code monétaire et financier*) (which in respect of certain home loans is 80%).

In accordance with Article R.313-20, II of the French Monetary and Financial Code (*Code monétaire et financier*), the "financing portion" (*quotité de financement*) in respect of mortgage promissory notes (*billets à ordre hypothécaires*) is (i) 60% of the value of the asset financed (in the case of secured receivables) or of the assets provided as collateral on mortgage loans or (ii) 80% of the value of the property for any loan receivables made to individuals in order to fund the construction or purchase of housing or to finance both the purchase of development land and the cost of construction of housing. Article R.313-21 of the French Monetary and Financial Code (*Code monétaire et financier*) provides that such percentage is increased to (i) 90% of the value of the asset when the value of the funded receivables is at least 25% more than the value of the mortgage promissory notes they guarantee and (ii) 100% of the value of the asset provided as collateral, in the case of the social housing ownership loans guaranteed by the *Fonds de Garantie à l'Accession Sociale* referred to in Article L. 312-1 of the French Construction Code (*Code de la construction*) or loans secured, for the fraction over and above the relevant "financing portion", by a guarantee satisfying the criteria set out in Article L.313-42 of the French Monetary and Financial Code (*Code monétaire et financier*) or by a guarantee by one or several public legal persons referred to in Article L.513-4 of the French Monetary and Financial Code (*Code monétaire et financier*).

#### **Cover ratio**

*Sociétés de crédit foncier* must at all times maintain a cover ratio between its assets and its liabilities which have the benefit of the *Privilège*. Pursuant to Articles L.513-12 and R.513-8 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must at all times maintain a ratio of at least 105 per cent. between their assets and the total amount of their liabilities which have the benefit of the *Privilège*.

The ratio's denominator (Article 8 of Regulation 99-10 of the CRBF) "is comprised of *obligations foncières* and other resources benefiting from the *Privilège*".

The ratio's numerator (Article 9 of Regulation 99-10 of the CRBF) "is made up of all the assets" weighted to reflect their category. With respect to *sociétés de crédit foncier* refinancing residential mortgage loans:

- (i) the home loans secured by a first ranking mortgage are given a 100 per cent. weighting up to their financing portion (*quotité de financement*) i.e., the lesser of 80 per cent. of the valuation of the charged residential property and the principal outstanding amount of the loan (see "Financing portion (*quotité de financement*)" above for details);
- (ii) the home loans secured by a guarantee (*cautionnement*) issued by a guarantor (*société de caution*) which does not fall within the scope of consolidation, as defined in Article L.233-16 of the French Commercial Code (*Code de Commerce*), of the *société de crédit foncier* are given a weighting percentage depending on their rating as follows:
  - 100 % for the guarantor (*société de caution*) benefiting from the second level of credit assessment (*deuxième meilleur échelon de qualité de crédit*) given by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution*;
  - 80% for the guarantor (*société de caution*) benefiting from the third highest level of credit assessment (*troisième meilleur échelon de qualité de crédit*) given by an external rating agency recognised by the *Autorité de contrôle prudentiel et de résolution*; and
  - 0% otherwise;
- (iii) in respect of mortgage promissory notes (*billets à ordre hypothécaires*) subscribed by *sociétés de crédit foncier*, pursuant to Article R.513-7 of the French Monetary and Financial Code (*Code monétaire et financier*), the home loans composing the cover pool of such mortgage promissory notes (*billets à ordre hypothécaires*) shall be taken into account for the calculation of that ratio by look-through approach so that paragraphs (i) and (ii) shall apply to such home loans;
- (iv) the residential mortgage backed securities subscribed by *sociétés de crédit foncier* are given a weighting percentage depending on (i) whether or not the entity assigning the assets underlying the residential mortgage backed securities belongs to the same consolidation scope as the *sociétés de crédit foncier*, (ii) the date on which the residential mortgage backed securities were subscribed by the *sociétés de crédit foncier* and (iii) the level of the rating of such residential mortgage backed securities ; such weighting percentage depending on the date of subscription of the residential mortgage backed securities by *sociétés de crédit foncier* (i.e. before or after 31 December 2011).

If the exposures to assets over companies falling within the same scope of consolidation as the *société de crédit foncier* (as defined in Article L.233-16 of the French Monetary and Financial Code (*Code monétaire et financier*)) or over related companies within the meaning of EC Directive 83/349/CEE relating to consolidated accounts, are over twenty five per cent (25%) of the resources which do not benefit from the *Privilège*, is deducted from the ratio's numerator mentioned in Article R.513-8 of the French Monetary and Financial Code (*Code monétaire et financier*) a sum corresponding to the difference between (i) such exposures on such companies, and (ii) a sum corresponding to the percentage of twenty five per cent (25%) of the resources which do not benefit from the *Privilège* and other assets received as collateral, pledge or full transfer of ownership in accordance with Articles L.211-36 to L.211-40, L.313-23 to L.313-25 and L.342 to L.313-49 of the French Monetary and Financial Code (*Code monétaire et financier*).

In the event that the assets of the *société de crédit foncier* is composed of receivables guaranteed by collateral assets in accordance with Articles L.211-36 to L.211-40, L.313-23 to L.313-35, and L.313-42 to L.313-49 of the French Monetary and Financial Code (*Code monétaire et financier*) and if these assets are not substitution assets (*valeurs de remplacement*), the cover ratio is assessed by taking into account the assets received as collateral either by way of pledge or transfer of ownership (and not the receivables of the *société de crédit foncier*).

*Sociétés de crédit foncier* must submit to the *Autorité de contrôle prudentiel et de résolution* on 31 March, 30 June, 30 September and 31 December of each year:

- their cover ratio;
- elements used to calculate the coverage of their cash requirements (as regards to which see below); and
- other elements relating to the assets and liabilities in respect of management standards as provided under Article 12 of Regulation 99-10 of the CRBF.

*Sociétés de crédit foncier* must appoint a specific controller (*contrôleur spécifique*) with the approval of the *Autorité de contrôle prudentiel et de résolution* whose task is to ensure that the cover ratio is at all times complied with. In particular, the specific controller must certify that the cover ratio is satisfied in connection with (i) the *société de crédit foncier's* quarterly programme of issues benefiting from the *Privilège* and (ii) any specific issue also benefiting from the *Privilège* whose amount is greater than Euro 500 million. The specific controller must verify the eligibility and quality of the assets, the process of yearly revaluation of the charged properties and the congruence of the asset liability management. The specific controller has access to information that allows confirmation of each issue's compliance with the cover ratio. This cover ratio is checked on a quarterly basis by the specific controller in connection with the Issuer's quarterly programme of issues benefiting from the *Privilège* or in relation to issues of notes also benefiting from the *Privilège* that are equal to or exceed Euro 500,000,000.

### **Liquidity needs**

Pursuant to Articles L.513-8 and R.513-7 of the French Monetary and Financial Code (*Code monétaire et financier*), *sociétés de crédit foncier* must ensure, at all times, the coverage of their liquidity needs for the next 180 calendar days (taking into account the forecasted flows of principal and interest on its assets and net flows related to derivative financial instruments referred to in Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*)), by replacement values (*valeurs de remplacement*) or other assets eligible as collateral to credit transactions with the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations.

In the event that the assets of the *société de crédit foncier* are composed of receivables secured by collateral assets in accordance with Articles L.211-36 to L.211-40, L.313-23 to L.313-35, and L.313-42 to L.313-49 of the French Monetary and Financial Code (*Code monétaire et financier*) and if these assets are not substitution assets (*valeurs de remplacement*), the liquidity needs are assessed by taking into account the estimated cash inflows of the assets received as collateral either by way of pledge or transfer of ownership (and not the estimated cash flow of the receivables of the *société de crédit foncier*, secured by such collateral assets).

On the date of this Base Prospectus, the Issuer's liquidity needs are covered by substitution assets (*valeurs de remplacement*) or by other assets that are eligible as collateral to credit transactions with the *Banque de France*, in accordance with the monetary policy and intra-day credit operations rules of the Eurosystem.

Pursuant to Regulation 99-10 of the CRBF, *sociétés de crédit foncier* must ensure that the average life of the eligible assets held by them in a minimum amount required to comply with the cover ratio referred to in Article R. 513-8 of the French Monetary and Financial Code (*Code monétaire et financier*), does not exceed more than 18 months the average life of its liabilities benefiting from the *Privilège*.

### **Subscription by the *société de crédit foncier* of its own *obligations foncières* as eligible collateral with the *Banque de France***

Pursuant to Article L.513-26 of the French Monetary and Financial Code (*Code monétaire et financier*), a *société de crédit foncier* may subscribe its own *obligations foncières* for the sole purpose of granting them as eligible collateral with the *Banque de France* in accordance with the procedures and conditions laid out by it for its monetary policy and intraday credit operations in the event that the Issuer cannot meet its liquidity needs from any other sources. Such recognition as eligible collateral will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the European Central Bank. The *obligations foncières* thus subscribed by the *société de crédit foncier* must meet the following conditions:

- their outstanding principal amount does not exceed 10 per cent. of the outstanding principal amount of any liabilities of the *société de crédit foncier* benefiting from the *Privilège* on the subscription date of the *obligations foncières* by the *société de crédit foncier*;
- they are deprived of the rights provided for under Articles L.228-46 to L.228-89 of the French Commercial Code (*Code de commerce*) for so long as they are held by the *société de crédit foncier*;
- they are granted as collateral to the *Banque de France* or they are cancelled within the eight (8) calendar days from their settlement date or from the date they are no more granted as collateral, as applicable; and
- they cannot be subscribed by a third party.

The specific controller of the *société de crédit foncier* must certify these conditions are met in a report delivered to the *Autorité de contrôle prudentiel et de résolution*.

### **Hedging**

A *société de crédit foncier* may enter into forward financial instruments (*instruments financiers à terme*) as defined in Article L. 211-1 of the French Monetary and Financial Code (*Code monétaire et financier*) to hedge transactions for management (*opérations de gestion*) of the loans and exposures as referred to in Articles L. 513-3 to L. 513-7 of the French Monetary and Financial Code (*Code monétaire et financier*), *obligations foncières* and other resources benefiting from the *Privilège*.

Any amounts payable pursuant to these forward financial instruments, after the applicable set-off as the case may be, benefit from the *privilège* of Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), unless such forward financial instruments were not concluded by the Issuer to hedge items of its assets and/or privileged liabilities or the global risk on its assets, liabilities and off-balance sheet items in accordance with Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*).

### **Privilège and non-privileged debts**

The *obligations foncières* issued by *sociétés de crédit foncier*, together with the other resources raised, the issuance or subscription agreement of which mentions the *Privilège*, and the liabilities resulting from derivative transactions relating to the hedging of assets, *obligations foncières* and other privileged debts in accordance with the second paragraph of Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*) benefit from the *Privilège*.

Pursuant to Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), notwithstanding any legal provisions to the contrary and in particular the provisions included in the French Commercial Code (*Code de commerce*) relating to the prevention and conciliation of business difficulties and to the safeguard, judicial administration and liquidation of companies:

- (i) the sums resulting from the loans, assimilated receivables, exposures and securities as referred to in Articles L.513-3 to L.513-7 of the French Monetary and Financial Code (*Code monétaire et financier*) and from the financial instruments used for hedging as referred to in Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*), (in each case after any applicable set-off), together with the claims in respect of deposits made by a *société de crédit foncier* (*i.e.* the issuer of *obligations foncières*, such as the Issuer) with credit institutions, are allocated in priority to the payment of any sums due in relation to the *obligations foncières* such as the Notes, to other resources benefiting from the *Privilège* as mentioned in paragraph 2 of I of Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*), to derivative transaction used for hedging, under the condition of Article L.513-10 of the French Monetary and Financial Code (*Code monétaire et financier*) and to other ancillary expenses and sums expressly referred to in Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*);
- (ii) when a *société de crédit foncier* such as the Issuer is subject to safeguard, judicial or liquidation proceedings (*procédure de sauvegarde, de redressement ou de liquidation judiciaires*) or to conciliation proceedings with its creditors (*procédure de conciliation*), the amounts due regularly from the operations referred to in paragraph 2 of I of Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*) are paid on their contractual due date, and in priority to all other debts, whether or not preferred or secured, including interest resulting from agreements whatever their duration. No other creditor of a *société de crédit foncier* such as the Issuer may exercise any right over the assets and rights of such *société* until all creditors benefiting from the *Privilège* as defined in Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) have been fully paid off; and
- (iii) the judicial liquidation of a *société de crédit foncier* such as the Issuer, will not result in the acceleration of payment of *obligations foncières* such as the Notes and other debts benefiting from the *Privilège*.

*Sociétés de crédit foncier* may also issue ordinary bonds or raise funds which do not benefit from such *Privilège*.

The Issuer may also refinance its assets in accordance with specific means of refinancing set forth by Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*), such as transfers of receivables in accordance with Article L.313-23 *et seq.* of the French Monetary and Financial Code (*Code*

*monétaire et financier*) or temporary transfers of its securities as provided for in Articles L.211-22 to L.211-34 of the French Monetary and Financial Code (*Code monétaire et financier*) or having recourse to funding secured by a pledge of a securities account as defined in Article L. 211-20 of the French Monetary and Financial Code (*Code monétaire et financier*). In such case, the receivables and securities so refinanced are not taken into account for the purpose of determining the cover ratio of the resources benefiting from the *Privilège*.

### **Insolvency derogatory regime**

Article L.513-20 of the French Monetary and Financial Code (*Code monétaire et financier*) precludes the extension of any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) in respect of the *société de crédit foncier*'s shareholders to the *société de crédit foncier*.

The French Monetary and Financial Code (*Code monétaire et financier*) provides for a regime which derogates in many ways from the French legal provisions relating to insolvency proceedings. In particular, in the event of safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) of a *société de crédit foncier*, all claims benefiting from the *Privilège*, including interest thereon, must be paid on their due dates and in preference to all other claims, whether or not secured or statutorily preferred and, until payment in full of all such preferred claims, no other creditors may take any action against the assets of the *société de crédit foncier*.

In addition, the provisions allowing an administration to render certain transactions entered into during the hardening period (*période suspecte*) null and void are not applicable for transactions entered into by a *société de crédit foncier* provided that such transactions are made in accordance with their exclusive legal purpose and without fraud.

Pursuant to Article L.513-21 of the French Monetary and Financial Code (*Code monétaire et financier*), in case of the opening of any safeguard procedure (*procédure de sauvegarde*), judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) against the credit institution or the financing company (*société de financement*) which is acting as manager and servicer of the assets and liabilities of the *société de crédit foncier*, the recovery, management and servicing contract may be immediately terminated by the *société de crédit foncier* notwithstanding any legal provisions to the contrary.

Please note that, as a specialised credit institutions (*établissements de crédit spécialisés*), the Issuer is subject to Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms as implemented in France (See "Risk factors relating to the Issuer and its operations – EU Resolution and Recovery Directive").

## DESCRIPTION OF THE ISSUER

### **Incorporation, duration and registered office**

#### *The Issuer*

The Issuer was incorporated under French law on 20 September 2010 for a period of 99 years as a *société anonyme*. The Issuer is registered under the name of AXA Bank Europe SCF with the Commercial and Companies Registry (*Registre du Commerce et des Sociétés*) of Créteil under number 525 010 880. The Issuer's office is at 203/205, rue Carnot, 94138 Fontenay Sous Bois, France, its telephone number: +33 (0)1 55 12 81 55.

The Issuer is duly licensed in France as specialised credit institution (*établissement de crédit spécialisé*) with the status of *société de crédit foncier* delivered by the *Autorité de contrôle prudentiel et de résolution*. The Issuer is also authorised to provide services in Belgium in accordance with the Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms dated 26 June 2013 and is duly registered by the Financial Services and Markets Authority (the "FSMA") as mortgage lender (*prêteur en crédit hypothécaire/kredietgever in hypothecair krediet*) in Belgium.

The Issuer is governed, *inter alia*, by the French Commercial Code (*Code de Commerce*) and by the French Monetary and Financial Code (*Code monétaire et financier*) and in particular, Articles L.513-2 *et seq.* of French Monetary and Financial Code (*Code monétaire et financier*) applicable to *sociétés de crédit foncier*.

The Issuer is a subsidiary of AXA Bank Belgium and a member of the AXA group.

#### *AXA Bank Belgium and the AXA group*

The Issuer's prime purpose is the refinancing of residential mortgage loans (either directly by purchasing the receivables arising from such residential mortgage loans or indirectly via the acquisition of assets which are eligible assets in accordance with the French legal framework applicable to *sociétés de crédit foncier* - see "Overview of the legislation and regulations relating to sociétés de crédit foncier – Eligible assets" and "Issuer's exclusive purpose and business overview" below).

AXA Bank Belgium is a public limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law on 27 August 1881 under the name of "Antwerpsche Hypotheekkas" (ANHYP) and is registered in the "Register of Legal Entities" of Brussels, Belgium, under number 404.476.835 with its registered office situated at 1, Place du Trône 1, 1000 Brussels, Belgium. AXA Bank Belgium is a Belgian credit institution supervised by the European Central Bank and a mortgage lender (*prêteur en crédit hypothécaire/kredietgever in hypothecair krediet*) duly licensed by the FSMA.

AXA Bank Belgium is a member of the AXA group which is an important global player whose ambition is to attain leadership in its core "Financial Protection" business. Financial Protection involves offering customers - individuals as well as small and mid-size businesses - a wide range of products and services that meet their insurance, protection, savings, retirement and financial planning needs throughout their lives.

### **Share capital**

The Issuer's share capital is EUR 131,095,200 divided into 13.109.520 fully paid-up ordinary shares of EUR 10. At the date of this Base Prospectus, AXA Bank Belgium holds all the shares of the Issuer's share capital except for one share which is held by AXA Banque.

There is no authorised and unissued share capital. There are no securities which grant rights to shares in the capital of the Issuer. All shares have equal voting rights.

Since 17 March 2014, AXA S.A. which is a French *société anonyme*, the shares of which are listed on Euronext Paris (*i.e.* a Regulated Market located in France), holds 99.99 per cent of the share capital of AXA Bank Belgium and the remainder is held by AXA Belgium.

### **Issuer's exclusive purpose**

In accordance with Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*) which defines the exclusive purpose of the *sociétés de crédit foncier* and with Article 2 of its by-laws, the Issuer's exclusive purpose consists in carrying out the activities and operations below, whether in France or abroad:

- (i) credit operations and assimilated operations within the terms set forth by regulations applicable to *sociétés de crédit foncier* and within the limits of its license;

- (ii) financing operations within the terms set forth by regulations applicable to *sociétés de crédit foncier* by means of issuance of *obligations foncières* or any other borrowing; and
- (iii) any ancillary activities expressly authorized by the texts on *sociétés de crédit foncier* for the achievement of its exclusive corporate purpose.

For a description of the legal framework applicable to *sociétés de crédit foncier*, see the section entitled "Overview of the legislation and regulations relating to *sociétés de crédit foncier*".

The Issuer may sign all necessary agreements with a credit institution or a financing company (*société de financement*) to procure services for the management and recovery of its loans, exposures and other eligible financial assets, *obligations foncières* and other resources (see "Outsourcing Agreements" below).

#### **Selected financial information of the Issuer**

The tables below set out selected financial information extracted from (i) the Issuer's audited financial statements for the periods from, respectively, 1 January 2016 to 31 December 2016, and 1 January 2017 to 31 December 2017, and (ii) the Issuer' semi-annual accounts for the six months period ended, respectively, 30 June 2017 and 30 June 2018 which were subject to a limited review by the statutory auditors:

##### Comparative annual financial data (in thousands of euros)

<b>Income statement</b>	<b>2017</b>	<b>2016</b>
Net banking income	21,667	25,284
Gross operating income	16,711	22,403
Net income	12,203	14,844
<b>Balance sheet</b>	<b>31/12/2017</b>	<b>31/12/2016</b>
Total balance sheet	6,882,591	4,828,003
Shareholders' equity	138,971	126,768
Subordinated debt (AT1)	125,954	0
Debt securities	5,666,770	4,175,297

##### Comparative interim financial data (in thousands of euros)

<b>Income statement</b>	<b>1 January to 30 June 2018</b>	<b>1 January to 30 June 2017</b>
Net banking income	8,841	15,573
Gross operating income	5,165	14,070
Net income	3,993	10,334
<b>Balance sheet</b>	<b>30/06/2018</b>	<b>30/06/2017</b>
Total balance sheet	6,926,845	7,023,055
Shareholders' equity	162,963	137,102
Subordinated debt (AT1)	125,943	0
Debt securities	5,681,179	5,679,440



## Issuer's activities and investments

As of 30 November 2018, the assets of the Issuer are composed of:

- a portfolio of residential mortgage loans for an amount of €5,495,376,981 under the Purchase Documents (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents" for details);
- mortgage promissory notes (*billets à ordre hypothécaire*) governed by Articles L.313-42 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) issued by AXA Banque and subscribed by the Issuer for an aggregate principal amount of €500,000,000 (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Mortgage promissory notes (*billets à ordre hypothécaires*)" for details); and
- various substitution assets (*valeurs de remplacement*) and other assets that are eligible as collateral to credit transactions with the Banque de France (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier* – Liquidity needs" for details).

The Issuer may also grant advances to AXA Bank Belgium secured by the pledge of Loans receivables as Collateral Security Assets under the Collateral Security Agreements.

### *Ratings of the Issuer and of the Notes*

The Issuer is not rated. However, the *obligations foncières* to be issued by the Issuer are expected to be rated Aaa by Moody's Investors Service Ltd and listed on the Official List of the Luxembourg Stock Exchange.

As at the date of this Base Prospectus, Moody's Investors Service Ltd is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

## Subsidiaries

According to Article L.513-2 V of the French Monetary and Financial Code (*Code monétaire et financier*), the Issuer, as a *société de crédit foncier*, is not allowed to hold shares in other companies.

## Management of the Issuer

The Issuer is administrated by a board of directors (*Conseil d'administration*).

The Issuer's board of directors (the "**Board**"), which at the date of this Base Prospectus comprises 6 members, has full powers to act in all circumstances on behalf of the Issuer within the limits set by its internal rules and the *Statuts* of the Issuer and subject to the powers expressly conferred by the French Commercial Code (*Code de commerce*) on shareholders in general meetings.

The Chairman of the Board organises and directs the work of the Board, of which it will give an account to the shareholders' meeting, ensures that the governing bodies of the Issuer operate properly, and that the directors are able to perform their duties.

The management of the Issuer consists of the Chief Executive Officer and the Deputy Chief Executive Officer to assist him. Both of them are vested with the broadest powers to act in all circumstances on behalf of the Issuer within the limits of the corporate purpose, and subject to the powers expressly attributed by law to shareholders' meeting and the special powers of the board of directors. They represent the Issuer in its relationships with third parties.

- Names, business address and functions of the members of the Board and principal activities performed by them outside the Issuer:

Names	Business Address	Function	Principal activities performed outside the Issuer
Emmanuel Vercoustre	203/205, rue Carnot 94138 Fontenay Sous Bois France	Chairman of the Board	Member of the Board of Directors and Executive Committee, Deputy CEO and Chief Financial Officer of AXA Bank Belgium

Philippe Colpin	203/205, rue Carnot 94138 Fontenay Sous Bois France	Chief Executive Officer and Director	N/A
Marie-Cecile Plessix	203/205, rue Carnot 94138 Fontenay Sous Bois France	Director	Chairman of the Executive Board ( <i>Directoire</i> ) - of AXA Banque
AXA S.A., represented by Mehdi Bribech	203/205, rue Carnot 94138 Fontenay Sous Bois France	Director	Head of Group Treasury of AXA S.A.
AXA Banque represented by Bruno Charlin	203/205, rue Carnot 94138 Fontenay Sous Bois France	Director	Head of Management Control, Refinancing, Treasury and ALM of AXA Banque

The Issuer identified no potential conflicts of interests between the duties to it by the members of the Board and their private interests and or other duties.

In application of Article L.511-97 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article L.823-19 of the French Commercial code (*Code de commerce*), the Board set up a Risk and Audit Committee which is in charge of *inter alia* (i) advising the Board on the Issuer's overall current and future risk appetite and strategy and assist in a risk oversight role, (ii) ensuring that the information provided is clear and assessing the relevance of the accounting methods used to prepare the individual accounts, and (iii) assessing the quality of internal control procedures, in particular whether the systems for measuring, monitoring and controlling risks are consistent, and recommending further actions where appropriate.

The management of the Issuer can thus be summarised by the following chart:

<b>ORGANISATIONAL CHART AXA BANK EUROPE SCF</b>			
<b>Responsible managers</b>	<b>Accounting Committee</b>	<b>Risk and Audit Committee</b>	<b>Appointments Committee</b>
STOEFS Jean-Louis	VERCOUSTRE Emmanuel ( <i>Head of the committee</i> )	PLESSIX Marie-Cécile ( <i>Head of the committee</i> )	VERCOUSTRE Emmanuel ( <i>Head of the committee</i> )
RAME Emmanuel	PLESSIX Marie-Cécile	VERCOUSTRE Emmanuel	PLESSIX Marie-Cécile
COLPIN Philippe	AXA SA (represented by Mehdi Bribech)	AXA SA (represented by Mehdi Bribech)	AXA SA (represented by Mehdi Bribech)

### **Staff and Outsourcing Agreements**

The Issuer has no employees or other resources. Its technical administration has been subcontracted to its parent company, AXA Bank Belgium and to another French credit institution belonging to the AXA group, AXA Banque, which act in accordance with the instructions of the Board. In this respect the Issuer has entered into two outsourcing services contracts (as amended from time to time): (i) a *contrat d'externalisation et de fourniture de services* with AXA Bank Belgium and AXA Banque (the "**Administrative Services Agreement**"), and (ii) a *convention de gestion* (in accordance with Article L.513-15 of the French Monetary and Financial Code (*Code monétaire et financier*)) with AXA Bank Belgium (the "**Management and Recovery Agreement**").

### ***Administrative Services Agreement***

The Administrative Services Agreement sets out the conditions under which AXA Bank Belgium and AXA Banque will provide services for the fulfilment of the regulatory obligations of the Issuer in its capacity as specialised credit institution subject to the legislative and regulatory provisions governing sociétés de crédit foncier, including in particular the accounting supervision (and in particular regulatory reporting), the legal and tax secretariat and the legal and tax assistance, the control of the risks, the permanent control, (including the compliance and the fight against money laundering) and, the periodic control in connection with the internal control.

Under the Administrative Services Agreement, the Issuer has also appointed AXA Bank Belgium as "**Administrator**", *i.e.* its agent to provide the Issuer with certain services in connection with the exercise of certain of its rights and the performance of certain of its obligations under the Facility Documents and the Purchase Documents (such as the preparation and sending, or the receipt, of all necessary documents and notifications – see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents" and "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents" for details).

### ***Management and Recovery Agreement***

Pursuant to Article L.513-15 of the French Monetary and Financial Code (*Code monétaire et financier*), AXA Bank Europe SCF has appointed AXA Bank Belgium to ensure the management (*gestion*) and recovery (*recouvrement*) of AXA Bank Europe SCF's assets.

AXA Bank Belgium directly or indirectly ensures the management of AXA Bank Europe SCF's assets, consisting of:

- claiming any sum owed by the debtors of the AXA Bank Europe SCF's assets pursuant to any contractual provision governing AXA Bank Europe SCF's assets;
- generally, managing the relationship with the debtors and any event related to the management of the AXA Bank Europe SCF's assets; and
- recovering of the AXA Bank Europe SCF's assets and ensuring the reception of the payments in relation to AXA Bank Europe SCF's assets on the relevant bank account of AXA Bank Europe SCF on each relevant payment date, pursuant to the provisions of the agreements in relation to AXA Bank Europe SCF's assets.

AXA Bank Belgium has also agreed to perform specific servicing tasks in the context of the Facility Documents (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Facility Documents – Collateral Servicing Agreement" for details) and the Purchase Documents (see "Relationship between AXA Bank Europe SCF and AXA Group entities – Purchase Documents – Servicing Agreement" for details). The Management and Recovery Agreement provides that the mandate given to AXA Bank Belgium under the Management and Recovery Agreement is without prejudice of AXA Bank Belgium's obligations *vis-à-vis* AXA Bank Europe SCF under the Collateral Servicing Agreement and the Servicing Agreement.

### **Compliance with the corporate governance regulations**

The Issuer complies with the corporate governance regulations applicable to French companies.

### **Membership of professional organisation**

The Issuer is member of the *Association Française des Sociétés Financières*, 24, avenue de la Grande Armée, 75584 PARIS CEDEX 17.

### **Independent Auditors**

The Issuer has appointed two (2) statutory auditors (*Commissaires aux comptes*) and two (2) vice statutory auditors (*Commissaires aux comptes suppléants*) in compliance with applicable laws and regulations.

The statutory auditors of the Issuer are Mazars at 61 rue Henri Régnault, 92400 Courbevoie and PricewaterhouseCoopers Audit at 63, rue de Villiers, 92200 Neuilly-sur-Seine.

Both entities are registered with the *Compagnie Nationale des Commissaires aux Comptes* (official statutory auditors' representative body) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors).

### **Specific controller (*Contrôleur spécifique*)**

The Issuer has appointed, in accordance with Articles L.513-23 to L.513-24 of the French Monetary and Financial Code (*Code monétaire et financier*) a specific controller (*contrôleur spécifique titulaire*), and a

substitute specific controller (*contrôleur spécifique suppléant*), who are selected from the official list of auditors and are appointed by the Board with the approval of the *Autorité de contrôle prudentiel et de résolution*.

The specific controller ensures that the Issuer complies with the French Monetary and Financial Code (*Code monétaire et financier*) (in particular, verifying the quality and the eligibility of the assets and the cover ratios). He also monitors the balance between the Issuer's assets and liabilities in terms of rates and maturity (cash flow adequacy) and notifies the Board and the *Autorité de contrôle prudentiel et de résolution* if he considers such balance to be unsatisfactory. The specific controller attends all shareholders' meetings and, on his request, may be heard by the Board (Article L.513-23 of the French Monetary and Financial Code (*Code monétaire et financier*)).

The specific controller (*contrôleur spécifique titulaire*) of the Issuer is Cailliau Dedouit et Associés represented by Mr. Laurent Brun and Mr. Remi Savournin as substitute specific controller (*contrôleur spécifique suppléant*). The mandates of the specific controller and the substitute specific controller will terminate on 31 December 2021.

## **Recent Events**

### ***Exercise of the call option of Series 16 notes on 10 October 2018***

On 10 October 2018, the Issuer exercised its call option of the €250,000,000 floating rate *obligations foncières* due 23 March 2027 extendible as floating rate *obligations foncières* up to 23 March 2028 (i.e. the Series 16 notes).

### ***Early redemption of a mortgage promissory note (billet à ordre hypothécaire) issued by AXA Banque***

On 10 October 2018, the €260,000,000 mortgage promissory note (*billet à ordre hypothécaire*) due 23 March 2027 issued by AXA Banque and subscribed by AXA Bank Europe SCF on 23 March 2017 was redeemed early by AXA Banque.

### ***Exercise of the call option of Series 9 notes on 7 November 2018***

On 7 November 2018, the Issuer exercised its call option of the €400,000,000 floating rate obligations foncières due 18 November 2019 extendible as floating rate *obligations foncières* up to 18 November 2020 (i.e. the Series 9 notes).

### ***Early redemption of a mortgage promissory note (billet à ordre hypothécaire) issued by AXA Banque***

On 7 November 2018, the €450,000,000 mortgage promissory note due 18 November 2019 issued by AXA Banque and subscribed by AXA Bank Europe SCF on 18 November 2014 was redeemed early by AXA Banque.

### ***Long- and short-term credit ratings of AXA Bank Belgium***

The Long- and short-term credit ratings of AXA Bank Belgium assigned by Standard & Poor's Credit Market Service France (S&P) and Moody's Investors Service Ltd (Moody's) are:

- S&P's rating: "A+/A-1" with 'Stable' outlook (as of 10 July 2018)
- Moody's rating: "A2/P-1" with 'Negative' outlook (as of 29 March 2018)

### ***Solvency position of AXA Bank Belgium***

The total CRD ratio of AXA Bank Belgium is 19.7 % (consolidated, 31 December 2017).

## RELATIONSHIP BETWEEN AXA BANK EUROPE SCF AND AXA GROUP ENTITIES

### *General background*

As mentioned and/or further described in "Risk factors relating to the Issuer and its operations", "General Description of the Programme" and "Description of the Issuer", the Issuer has entered into several contracts with AXA Bank Belgium, its parent company, and AXA Banque, a French credit institution within the AXA group (as applicable). The main contracts entered into between the Issuer and such AXA group entities which have been executed and/or amended in the context of the Issuer's plan to comply with the end of the Exemption (see "Description of the Issuer - Issuer's activities and investments - End of the Exemption and Issuer's plan relating to the end of the Exemption as of 31 December 2017 and replacement of the assets held by AXA Bank Europe SCF until 15 December 2017 to comply with the end of the Exemption"), are further described below.

AXA Bank Belgium is a public limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law on 27 August 1881 under the name of "Antwerpsche Hypotheekkas" (ANHYP) and is registered in the "Register of Legal Entities" of Brussels, Belgium, under number 404.476.835 with its registered office situated at 1, Place du Trône 1, 1000 Brussels, Belgium. AXA Bank Belgium is a Belgian credit institution supervised by the European Central Bank and a mortgage lender (*prêteur en crédit hypothécaire/kredietgever in hypotheckair krediet*) duly licensed by the Financial Services and Markets Authority (the "FSMA").

AXA Banque is organised as a *société anonyme à directoire et conseil de surveillance* and a registered office located at 203/205 rue Carnot, 94138, Fontenay-sous-Bois Cedex, France. AXA Banque is registered with the Commercial and Companies Registry (*Registre du Commerce et des Sociétés*) of Créteil under number 542 016 993. AXA Banque is a credit institution duly licensed by the *Autorité de contrôle prudentiel et de résolution* as a bank and as an investment services provider. In addition, AXA Banque is authorised to act as custodian of financial instruments (*teneur de compte-conservateur*).

Words and expressions not defined below but defined in the section entitled "Glossary of Defined Terms" will have the same meaning when used below.

### *1. Facility Documents*

The Facility Agreement, the Collateral Security Agreements, the Collateral Servicing Agreement, the Master Definitions and Construction Agreement and the Administrative Agreement are referred to as the "**Facility Documents**".

#### *Facility Agreement*

On 27 November 2017, AXA Bank Europe SCF (the "**Lender**") and AXA Bank Belgium (the "**Borrower**", the "**Administrator**" and the "**Facility Calculation Agent**") entered into a French law credit facility agreement (the "**Facility Agreement**") as amended from time to time, setting out the general terms and conditions under which the Lender will make available advances (each an "**Advance**") to the Borrower in aggregate maximum amount of € 9,000,000,000 (the "**Facility Commitment**") for the purpose of financing the general financial needs of the Borrower.

#### *Advances under the Facility Agreement*

Pursuant to the Facility Agreement, the Borrower will send to the Administrator (with a copy to the Lender) a duly completed drawdown request (the "**Drawdown Request**") in respect of the Advance to be made available under the Facility Agreement. The Drawdown Request will include the principal amount requested, the contemplated utilisation date, the term and the interest basis (fixed or floating rate) requested of such Advance. Upon receipt of a Drawdown Request by the Administrator (with copy to the Lender), the Lender, together with the Administrator, will prepare the final terms of Advance (the "**Final Terms of Advance**").

The Borrower may (i) accept the terms and conditions of the Final Terms of Advance proposed by the Administrator and the Lender, in which case such Final Terms of Advance will be definitive between the Borrower and the Lender and an Advance will be made available according to such Final Terms of Advance, or (ii) refuse the terms and conditions of such Final Terms of Advance, in which case such Final Terms of Advance and the relevant Drawdown Request will be considered as null and void between the Borrower and the Lender.

The general terms and conditions regarding the calculation and the payment of principal and interest of any Advance under the Facility Agreement mirror, to the extent applicable, the Terms and Conditions of the Notes (see "Terms and Conditions of the Notes"). However, each Advance will not necessarily be financed by an issue of Notes under the Programme and the financial conditions of each Advance therefore will not necessarily mirror the financial conditions of each issue of Notes.

#### *Representations, warranties and undertakings*

The Borrower has made customary representations and warranties and undertakings to the Lender, the representations and warranties being given on the execution date of the Facility Agreement and continuing until all sums due by the Borrower under the Facility Agreement will have been repaid in full.

#### *Main other terms*

The Facility Agreement also provides for:

- customary tax gross-up provisions relating to payments to be made by the Borrower to the Lender under the Facility Agreement;
- customary tax indemnity provisions relating to any payment to be made by the Lender on account of tax on or in relation to any sum received or receivable under the Facility Agreement by the Lender from the Borrower or any liability in respect of any such payment is asserted, imposed, levied or assessed against the Lender;
- customary "increased costs" provisions;
- general financial information covenants and other customary covenants of the Borrower.

#### *Events of Default*

Each of the following events constitutes the occurrence of an event of default under the Facility Agreement (each, an "**Event of Default**"):

- the Borrower fails to pay any sum due under the Facility Agreement when due, in the currency and in the manner specified herein; provided, however, that where such non-payment is due to an administrative error or the failure of continuing external payment systems or clearing systems reasonably used by the Borrower and such payment is made by the Borrower within five (5) Business Days of such non-payment, such non-payment will not constitute an Event of Default;
- a Stop Payment Event;
- any material representation or warranty made by the Borrower, in the Facility Agreement or in any notice or other document, certificate or statement delivered by it pursuant hereto or in connection herewith is or proves to have been incorrect or misleading in any material respect when made, and the same is not remedied (if capable of remedy) within sixty (60) Business Days after the Administrator or the Lender has given notice thereof to the Borrower or (if sooner) the Borrower has knowledge of the same, provided that the Lender, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- the Borrower fails to comply with any of its obligations under the Facility Agreement or any other Facility Document unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Administrator or the Lender has given notice thereof to the Borrower or (if sooner) the Borrower has knowledge of the same, provided that the Lender, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- a Breach of Asset Cover Test occurs;
- as regards the Borrower, an Insolvency Event occurs;
- any effect, event or matter (regardless of its nature, cause or origin and in particular the commencement of any legal, administrative or other proceedings against the Borrower) occurs which is or could be reasonably expected to be materially adverse to (i) the financial or legal situation, assets, business or operations of the Borrower and (ii) the ability of the Borrower to perform its payment obligations or the financial covenants under any of the Programme Documents;

- at any time it is or becomes unlawful for the Borrower to perform or comply with any or all of its material obligations under the Facility Agreement or any of the material obligations of the Borrower under the Facility Agreement are not or cease to be legal, valid and binding; or
- the license of the Lender as a *société de crédit foncier* has been withdrawn by the *Autorité de contrôle prudentiel et de résolution* as a result of any failure by the Borrower to comply with any of its material obligations under the Facility Documents.

For the purpose hereof:

**"Insolvency Event"** means, with respect to AXA Bank Belgium, the occurrence of any of the following events:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
  - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
  - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (i) becomes subject of any resolution measure provided for under Book II, Title VIII of the Belgian Act of 25 April 2014 on the status and the supervision of credit institutions;
- (j) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (i) above; or
- (k) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

**"Stop Payment Event"** means, in respect of the Cash Advance Agreement, the event where one or both of the following events occur and it has not been remedied on or before the twentieth (20th) calendar day immediately following the date on which such event occurred:

- (a) AXA Bank Belgium fails to make a cash advance in accordance with the Cash Advance Agreement; and/or
- (b) any of the Pre-Maturity Reserve, the Mortgage Promissory Notes Commingling Reserve or the Collection Loss Reserve is not funded up to the relevant required amount for each such reserve as set out in the Cash Advance Agreement,

provided that if an Insolvency Event occurs in respect of AXA Bank Belgium, such grace period shall not apply.

Upon the occurrence of an Event of Default, the Lender (by itself or represented by the Administrator or any representative, agent or expert on its behalf) will, by sending a written notice (an **"Enforcement Notice"**) (such notice to constitute a *mise en demeure*) to the Borrower and the Administrator (with copy to Moody's Investors Service Ltd), (x) declare that (i) no further Advances will be available under the Facility Agreement, and (ii) the then outstanding Advances are immediately due and payable and (y) enforce the rights of the Lender under the Collateral Security Agreements for the repayment of any sum due by the Borrower under the Facility Agreement and not paid by the Borrower (whether at its contractual due date or upon acceleration). See "Collateral Security Agreements" below.

#### *Broken funding indemnity – Borrower's indemnities*

If, as a consequence of the occurrence of an Event of Default, the Lender receives or recovers all or any part of an Advance otherwise than as described or scheduled under the relevant Final Terms of Advance, the Borrower will pay to the Lender on demand an amount equal to the amount (if any) of the difference (if positive) between (x) the additional interest which would have been payable on the amount so received or recovered had such Event of Default not occurred, and (y) the amount of interest which the Lender reasonably determines would have been payable to the Lender on the last day of the term thereof in respect of a deposit equal to the amount so received or recovered placed by it with a prime bank for a period starting on the third (3rd) Business Day following the date of such receipt or recovery and ending on the last day of the term thereof.

The Borrower undertakes to indemnify the Lender against:

- any cost, claim, loss, expense (including legal fees) or liability (other than reasonable consequential losses including loss of profit), which it may (acting reasonably) sustain or incur as a consequence of the occurrence of any Event of Default or any default by the Borrower in the performance of any of the obligations expressed to be assumed by it in the Facility Agreement; and
- other than by reason of negligence or default by the Lender, any loss it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrower hereunder but not made by reason of the operation of any one or more of the provisions of the Facility Agreement.

#### *Collateral Security Agreements*

On 27 November 2017, AXA Bank Europe SCF (the **"Secured Party"**) and AXA Bank Belgium (the **"Pledgor"**, the Administrator and the Facility Calculation Agent) entered into (i) a collateral security agreement governed by French law (as amended from time to time) (the **"French Collateral Security Agreement"**) and (ii) a collateral security agreement governed by Belgian law (as amended from time to time) (the **"Belgian Collateral Security Agreement"**) and together with the French Collateral Security Agreement, the **"Collateral Security Agreements"**).

#### *Collateral Security Agreements*

In order to preserve and maintain the effectiveness of the rights of AXA Bank Europe SCF under the Facility Documents *vis-à-vis* AXA Bank Belgium (*i.e.* a credit institution incorporated under Belgian law), the Collateral Security Agreements provide that:

- the Collateral Security Assets pledged under the French Collateral Security Agreement will be pledged simultaneously under the Belgian Collateral Security Agreement in order to secure the Secured Liabilities (as defined below);
- in the event of an Event of Default:



- in the event of any conflict between the provisions of the French Collateral Security Agreement and the Belgian Collateral Security Agreement in relation to any security interest granted in respect of any Collateral Security Assets (as defined below), the provisions of the French Collateral Security Agreement will prevail in relation to the Collateral Security Assets;
- the Secured Party will only take actions under the Belgian Collateral Security Agreement to the extent that any enforcement action under the French Collateral Security Agreement has been ineffective for any reason and an Insolvency Event has occurred as regards the Pledgor; and
- the Secured Party may only enforce the Collateral Security under the Belgian Collateral Security Agreement in case of an Insolvency Event with respect to the Pledgor.

The pledge granted by the Pledgor over Collateral Security Assets in favour of the Secured Party under the French Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the provisions of Articles L.211-38 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) implementing the Collateral Directive.

The pledge granted by the Pledgor over Collateral Security Assets in favour of the Secured Party under the Belgian Collateral Security Agreement will be granted, and, as the case may be, enforced, in accordance with the Belgian Financial Collateral Act implementing the Collateral Directive.

#### *Secured Liabilities*

Pursuant to the Collateral Security Agreements, in order to secure the payment of all and any amounts (whether in principal, interest, fees, indemnities or guarantees) owed by the Pledgor under the Programme Documents, whether present or future (the "**Secured Liabilities**"), the Pledgor hereby undertakes to, from time to time, pledge Eligible Collateral Assets (as defined below) to the benefit of the Secured Party, in its capacity as Lender under the Facility Agreement (the "**Collateral Security**").

The Eligible Collateral Assets pledged by the Pledgor in favour of the Secured Party under the Collateral Security Agreements will be each referred to as a "**Collateral Security Asset**".

The Secured Liabilities constitute financial obligations, i.e. *obligations financières* within the meaning of Article L.211-36 of the French Monetary and Financial Code (*Code monétaire et financier*) under the French Collateral Security Agreement and *bankvorderingen* within the meaning of Article 4, §1, 3° of the Belgian Financial Collateral Act under the Belgian Collateral Security Agreement.

The Collateral Security secures all the Secured Liabilities taken as a whole so that there is no segregation between the Collateral Security Assets depending on, notably, the Collateral Effective Date on which they are pledged.

#### *Eligible Collateral Assets*

Each Eligible Collateral Asset pledged as Collateral Security pursuant to the Collateral Security Agreements will, at the relevant Collateral Effective Date or at any other date specified in the Collateral Security Agreements, arise from an "**Eligible Collateral Asset**" which meets the requirements of the legal framework applicable to *sociétés de crédit foncier* (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier* – Eligible receivables") and complies with all the following cumulative eligibility criteria (the "**Eligibility Criteria**"):

- (a) each Loan has been granted with respect to real property located solely in Belgium;
- (b) no Loan has an origination date prior to 1 January 1995;
- (c) each Loan was granted by the Pledgor as a loan secured by a Mortgaged Property;
- (d) no Loan qualifies as a Defaulted Loan or as a Delinquent Loan in arrears for more than one month;
- (e) the proceeds of each Loan have been fully released and the Pledgor has no further obligation to release further funds relating to the Loan, subject to subparagraph (f) below;
- (f) each uncanceled amount of principal of the Construction Loan has been fully disbursed by the Pledgor to the Debtor;
- (g) none of the Loans relate to a bridge loan (*overbruggingskredieten/crédits soudure*), a bullet loan with principal payments due only on maturity date (so-called bullet loans) or are temporary credit facilities (*tijdelijke kredietopening/ouverture de crédit temporaire*);

- (h) none of the Loans relate to reconstitution loans or any types of loans where repayments are organised under so-called "TAK-21" or "TAK-23" schemes;
- (i) each Loan is secured by a Mortgage and each Mortgage relates to real property;
- (j) in relation to each Mortgaged Property, each Mortgage (which at the Collateral Effective Date has been registered at the Mortgage Registration Office) is a first-ranking mortgage, ranking in priority to any other mortgage or security interest given in favour of it or any third party, except:
  - (i) for lower ranking Mortgages on a property if the Pledgor also holds the first ranking Mortgage(s) and such Mortgage(s) is/are also pledged to the Secured Party pursuant to the Collateral Security Agreements, including each of the following:
    - (i) either any Mortgage in respect of Loans transferred and which are ancillary to such Loan as they are secured by the same All Sums Mortgage;
    - (ii) or any Mortgage granted by a Debtor in respect of another Loan to amongst others another Debtor which are pledged at the same time; and
    - (iii) in relation to properties mortgaged as an Additional Security;
- (k) in respect of each Mortgage, there is no other liability of the relevant Debtor which is secured by such Mortgage that exists or is outstanding (excluding interest accrued on the Loan but not due on the Collateral Effective Date and any Default Interest for Loans up to maximum one month in arrears) other than:
  - (i) the Loan (including principal and interest) or, should there be more than one residential mortgage loan extended to such Debtor on the relevant Collateral Effective Date, such Loans to be pledged to the Secured Party (it being understood that the Pledgor may retain loans other than residential mortgage loans (such as consumer loans) secured by the same Mortgage);
  - (ii) any Further Loan which may be made if such Mortgage is an All Sums Mortgage; and
  - (iii) costs, fees, and expenses in respect of the Loan(s), any Further Loan or the relevant Mortgage;
- (l) as at the date of origination of each Loan, the Pledgor acting as original lender in its own name has instructed each Debtor to insure:
  - (i) the relevant Mortgaged Property under a home owners' Hazard Insurance Policy against all risks usually covered by a comprehensive Hazard Insurance Policy and the amount to be insured is not less than the full replacement value;
  - (ii) the Loan under a Life Insurance Policy, such Life Insurance Policy being collateral security to it for each such Loan;
- (m) both interest and principal on each Loan is payable by way of monthly instalments;
- (n) each Loan is denominated exclusively in euro;
- (o) the aggregate of the Outstanding Balance of all Loans which are covered by the same Mortgage is lower than EUR 480,000 or any other amount as allowed by the law applicable to a société de crédit foncier within the meaning of Articles L 513-2 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*);
- (p) each Loan has:
  - (i) a CLTCV (whereby the outstanding balance in the calculation of the current loan amount and the current value was obtained by indexation) equal to or less than 100 %;
 

Where, "CLTCV" means the ratio of current loan to current value, which is calculated as:

    - (a) the current balance of the Loans of a Debtor, for the purpose of this calculation increased by the current balance of other loans as existed before the relevant Collateral Effective Date or Purchase Date (as applicable), as relevant, divided by:
    - (b) the Current Property Values indexed to the relevant Collateral Effective Date or Purchase Date (as applicable), as relevant, less any mortgage inscription amounts held by a third party that rank higher in priority to the mortgage inscriptions granted to AXA Bank Belgium.
  - (ii) a CLTM equal to or less than 200%;

Where, "**CLTM**" means current loan to mortgage inscription, which is calculated as:

- (a) the current balance of the Loans of a Debtor, for the purpose of this calculation increased by the current balance of other loans as existed before the relevant Collateral Effective Date or Purchase Date (as applicable), divided by:
- (b) the sum of the first and any subsequent ranking mortgage inscriptions granted to AXA Bank Belgium (for avoidance of doubt, mortgage mandates are excluded);
- (q) none of the Loans has been granted to a Debtor that is an employee of the Pledgor;
- (r) none of the Loans relate to loans granted with the benefit of a guarantee extended by the Walloon Region under the applicable housing promotion programme for building or acquiring houses by young persons (the *Prêts Jeunes*, in application of the Decree of the Walloon Government on 20 July 2000 determining the conditions to intervene for the benefit of young people obtaining a mortgage credit) or otherwise benefits from any incentive schemes set up by the Walloon Government;
- (s) none of the Loans relate to "harmonica" loans which are loans with a maturity extension possibility without the possibility to increase the monthly instalment (possibility to increase the maturity date, but not the monthly instalment up to a certain predefined maximum maturity date whereby any residual amounts outstanding at such date will be waived (in favour of the relevant Debtor));
- (t) each Loan has an initial maturity equal to or less than thirty (30) years;
- (u) for each Loan at least 1 instalments have been paid by the Debtor;
- (v) only Loans that are granted for properties that are used only for residential purpose (mixed property are excluded);
- (w) the DTI of any Loan cannot be higher than 60 %;
- (x) no Loan will have been granted to a Debtor with an unknown profession;
- (y) only loans in annuities; and
- (z) none of the Loans are forbore exposures within the meaning of the Technical Standards on Supervisory reporting on forbearance and non-performing exposures under Article 99(4) of Regulation (EU) No 575/2013.

If it is confirmed that a relevant Collateral Security Asset ceases to comply with any of the Eligibility Criteria (each, an "**Ineligible Collateral Asset**"), any Collateral Security pledged as Collateral Security under such Ineligible Collateral Asset will account for zero for the purpose of calculation of the Asset Cover Test on the relevant Asset Cover Test Date (see "Collateral Security Agreements - Asset Cover Test – Calculation of Asset Cover Ratio" below). In addition, the Pledgor may request that such Ineligible Collateral Assets be released from the scope of the Collateral Security.

The Eligibility Criteria may be amended from time to time subject to prior notification to Moody's Investors Service Ltd.

For the purpose hereof:

"**Additional Security**" means, with regard to any Loan, all claims, whether contractual or in tort, against any Insurance Company, notary public, mortgage registrar, public administration, property expert, broker or any other person in connection with such Loans or the related Mortgaged Property or Loan Security or in connection with AXA Bank Belgium's decision to grant such Loans and in general, any other security or guarantee other than the Loan Security created or existing in favour of AXA Bank Belgium as security for a Loan.

"**Collateral Effective Date**" means, with respect to each Eligible Collateral Asset to be pledged as Collateral Security under the Collateral Security Agreements, the calendar day upon which such Eligible Collateral Asset shall have been notified by the relevant party as being effectively pledged as Collateral Security subject to, and in accordance with, the relevant terms of the Collateral Security Agreements.

"**Construction Loan**" means any loan originated by AXA Bank Belgium the proceeds of which are intended to construct or renovate residential property located in Belgium and the proceeds of which have been fully released to the Debtor on the relevant Collateral Effective Date or Purchase Date (as applicable).

"**Current Property Value**" means the property value after indexation based on figures as provided by property expert Stadim CVBA, with its registered office at Uitbreidingstraat 10-16, 2600 Antwerp.

"**Debtor**" means a borrower under any Loan.

"**Default Interest**" means default interest under any Loan.

"**Defaulted Loan**" means a Loan which is either (i) in arrears for more than 180 days or (ii) which has been accelerated and in relation to which foreclosure procedures have commenced.

"**Delinquent Loan**" means a Loan in arrears and for as long as it has not become a Defaulted Loan.

"**DTI**" means the ratio expressing the relation of the monthly debt (mortgage and non-financial debt, consumer loans, etc...) burden to the monthly income, in both cases after taxes.

"**Further Loan**" means any loan (*i.e.* a mortgage loan or a consumer loan, as the case may be) originated by AXA Bank Belgium after any Collateral Effective Date or Purchase Date (as applicable) that is covered by the same All Sums Mortgage as a Loan.

"**Hazard Insurance**" or "**Hazard Insurance Policy**" means an insurance policy covering fire and/or kindred perils in respect of the Mortgaged Property.

"**Insurance**" or "**Insurance Polic(y)(ies)**" means any and all Hazard Insurance Polic(y)(ies) or Life Insurance Polic(y)(ies)(s) in so far as it relates to any Loans.

"**Insurance Company**" means any insurance company granting a Hazard Insurance (in respect of a Mortgaged Property) or a Life Insurance (in respect of a Loan).

"**Life Insurance**" or "**Life Insurance Policy**" means an insurance policy which provides for the payment of a fixed amount for repayment of the Outstanding Balance of the relevant Loan upon the death of a Debtor.

"**Loan(s)**" means any loan receivables secured by a mortgage on a property situated in Belgium.

"**Loan Security**" means in respect of any Loan, any Mortgage(s) or mortgage mandate(s) and all rights, title, interest and benefit relating to any payments under Insurance Policies, any guarantee provided for such Loan, any assignment of salaries (*loonsoverdracht/cession délégation de salaire*) that the Debtor may earn and any other type of Security granted in respect of the Loan.

"**Mortgage**" means mortgage (*hypotheek/hypothèque*) as such term is construed under Belgian law.

"**Mortgaged Property**" means a real property located in Belgium over which there is a Mortgage securing a Loan.

"**Mortgage Registration Office**" means the office (*hypotheekkantoor/bureau des hypothèques*) where mortgages are or, are to be, registered in accordance with the Belgian Mortgage Act.

"**Outstanding Balance**" means the balance of a Loan outstanding at a particular time (and in respect of a Defaulted Loan, as of the time such Loan has become defaulted).

#### *Pledge*

The Collateral Security will be constituted by a pledge of Eligible Collateral Assets for an amount at least equal to the amount required for the calculation of the Asset Cover Test (see "Collateral Security Agreements - Asset Cover Test – Calculation of Asset Cover Ratio" below), such pledge being established and enforceable against third parties without any formality. The pledge:

- (i) will be constituted by the identification of the Collateral Security Assets in the relevant Pledge Certificate delivered to the Secured Party; and
- (ii) will result from the control (*contrôle*) by the Secured Party (or any person acting on its behalf) over the Collateral Security Assets resulting from:
  - (1) the provisions under the Collateral Security Agreements and in particular (i) the possibility to obtain partial releases only if specifically authorised to do so by the Secured Party in accordance with the Collateral Security Agreements and (iii) the notification and enforcement rights of the Secured Party under the Collateral Security Agreements (see "Collateral Security Agreements - Notification Events" and "Collateral Security Agreements - Enforcement" below); and
  - (2) the Collateral Servicing Agreement (see "Collateral Servicing Agreement" below).

Any Collateral Security Asset pledged subject to, and in accordance with, the Collateral Security Agreements will automatically form part of the Collateral Security until its final release and discharge, but without prejudice to partial releases and/or substitutions with respect to the relevant Collateral Security Assets in accordance with, and subject to, the provisions of the Collateral Security Agreements.

The Pledgor will remain the owner of the Collateral Security Assets and the Collateral Security will not entail any transfer of title with respect to the relevant assets until enforcement.

For the purpose hereof:

**"Pledge Certificate"** means the pledge certificate delivered by the Pledgor to the Secured Party on the relevant Collateral Effective Date containing a description and identification of the Eligible Collateral Assets that are pledged on such date and certifying, in particular, that such Eligible Collateral Assets to be pledged qualify as Eligible Collateral Assets.

#### *Asset Cover Test – Calculation of Asset Cover Ratio*

In addition to the statutory cover ratio which the Issuer is required to comply with as a *société de crédit foncier* (see "Overview of the legislation and regulations relating to *sociétés de crédit foncier* – Cover ratio"), the Facility Calculation Agent will carry out a test (the "**Asset Cover Test**") on each Asset Cover Test Date to ensure that the amount of Collateral Security required pursuant to the Collateral Security Agreements is in place. For the purpose of the Asset Cover Test, the Facility Calculation Agent shall apply the following ratio (the "**Asset Cover Ratio**"):

$$ACSA_y / (\sum (1+OC\%_i) * Advance_i)$$

whereby:

"**ACSA**" means the Aggregate Collateral Security Amount;

"**OC%**" means the Contractual Overcollateralisation Percentage; and

"**i**" means each of the Advances outstanding on any Asset Cover Test Date.

For the purpose hereof:

**"Asset Cover Test Date"** means, in respect of the Collateral Security Agreements, the 7<sup>th</sup> Business Day of each calendar month and each issuance date of a Series or a Tranche of Notes; by way of exception to the foregoing, the first Asset Cover Ratio Test Date shall be the 7th Business Day of the calendar month occurring after an initial Advance is made pursuant to, and subject, the terms and conditions of the Facility Agreement;

**"Aggregate Collateral Security Amount"** means, on any Asset Cover Test Date the sum of the Collateral Security Asset Net Values.

**"Collateral Security Asset Net Values"** means the net asset value of the Collateral Security Assets as determined in accordance with the French legal framework applicable to *sociétés de crédit foncier*, and in particular Article R.513-1 of the French Monetary and Financial Code (*Code monétaire et financier*).

**"Contractual Overcollateralisation Percentage"** means the percentage of contractual overcollateralisation to be agreed between the Pledgor and the Secured Party in accordance with the Collateral Security Agreements, being specified that the Pledgor and the Secured Party may agree to increase such percentage pursuant to the Collateral Security Agreements.

*Asset Cover Test – Non-Compliance with Asset Cover Test*

Non-compliance with Asset Cover Test (the **"Non-Compliance with Asset Cover Test"**) would result from the Asset Cover Test Ratio being less than one (1).

*Asset Cover Test – Remedies in case of Non-Compliance with Asset Cover Test*

Upon Non-Compliance with Asset Cover Test on any Asset Cover Test Date, the Pledgor will:

- (i) pledge additional Eligible Collateral Assets as Collateral Security; and/or
- (ii) request a substitution of Eligible Collateral Assets from the Collateral Security;

in each case, as necessary to cure such Non-Compliance with Asset Cover Test.

*Asset Cover Test – Breach of Asset Cover Test*

The failure by the Borrower to cure a Non-Compliance with Asset Cover Test which has occurred on any Asset Cover Test Date prior to the next following Asset Cover Test Date will constitute a breach of Asset Cover Test (a **"Breach of Asset Cover Test"**) within the meaning of the Collateral Security Agreements. The Facility Calculation Agent will inform promptly the Secured Party and the Pledgor (with a copy to Moody's Investors Service Ltd if so requested by Moody's Investors Service Ltd) of its calculation of the Asset Cover Ratio and, if applicable, the occurrence of a Breach of Asset Cover Test.

A Breach of Asset Cover Test constitutes the occurrence of an Event of Default under the Facility Agreement (see "Facility Agreement - Events of Default" above).

*Representations, warranties and undertakings*

The Pledgor has made customary representations, warranties and undertakings in favour of the Secured Party, such representations and warranties being given on the execution date of the Collateral Security Agreement and continuing until satisfaction in full of the Secured Liabilities.

*Notification Events*

The Secured Party acknowledges and agrees that it will not give notice to any Debtor of the pledge to the Secured Party of the Collateral Security Assets until and unless:

- (a) the occurrence of a Notification Event; or
- (b) an attachment or similar claim in respect of any Collateral Security Asset is received, in which case notice will be given only to the relevant Debtor of the Collateral Security Asset concerned.

The following events or circumstance shall constitute a **"Notification Event"** under the Facility Documents:

- (a) the occurrence of Servicing Termination Event (see "Facility Documents - Replacement and termination of appointment of the Servicer - Termination in case of a Servicing Termination Event" below); or
- (b) the Secured Party is required to serve a notice of pledge by an order of any court or supervisory authority; or
- (c) whether as a reason of a change in law (or case law) or for any other reason (such as when it becomes necessary as a result of a change of law), to protect the interests of the Secured Party to record the pledge by way of marginal notation (*kantmeldung/mention marginale*) and to the extent notified thereof by the Servicer or the Secured Party reasonably considers it necessary to protect its interests over the Collateral Security Assets, Loans, the Loan Security or the Additional Security to do so, and serves notice on the Secured Party to such effect (setting out its reasons therefore); or

- (d) the Pledgor fails in any material respect to duly perform, or comply with, any of its obligations under the Collateral Security Agreements or under any of the other Facility Documents to which it is a party and such failure, if capable of being remedied, is not remedied within ten (10) Business Days after notice thereof; or
- (e) any representation, warranty or statement made or deemed to be made by the Pledgor under any of the Facility Documents to which it is a party or in any notice or other document, certificate or statement delivered by it pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period, untrue or incorrect in any material respect, save for any breach of representations and warranties relating to a Collateral Security Asset which is, following such breach, substituted; or
- (f) the Pledgor :
  - a. has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its dissolution (*ontbinding/dissolution*) and liquidation (*vereffening/liquidation*); or
  - b. has become subject to emergency regulations (*noodregeling/mesure d'urgence*) or, if applicable, applies for or is granted a suspension of payments (*opschorting van betaling/surséance des paiements*); or
  - c. applies for its bankruptcy or is declared bankrupt (*failliet verklaard/declaré en faillite*) or any steps have been taken for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (g) it becomes unlawful for the Pledgor to perform all or a material part of its obligations under the Facility Documents in such a manner that this would have a material adverse effect on its ability to perform such obligations; or
- (h) an Enforcement Notice is served by the Secured Party as a result of an Event of Default.

Following a Notification Event, the Pledgor will give notice of the pledge to the Secured Party of any Collateral Security Asset, to each of the following and to the extent applicable:

- (a) the Servicer;
- (b) the Debtors;
- (c) any notary public, mortgage registrar, public administration, property expert, broker or other person referred to in the definition of Additional Security;
- (d) any provider of Loan Security;
- (e) the Insurance Company providing the Life Insurance Policy;
- (f) the CKP (*Centrale voor Kredieten aan Particulieren/Centrale des crédits aux particuliers*);
- (g) the Insurance Company providing the Hazard Insurance Policy; and
- (h) Moody's Investors Service Ltd.

#### *Enforcement*

Upon the service by the Secured Party (by itself or represented by the Administrator or any representative, agent or expert on its behalf) to the Pledgor of an Enforcement Notice subject to, and in accordance with, the relevant terms of the Facility Agreement following the occurrence of an Event of Default:

- (a) all rights of title, discretions, benefits and other rights with respect to any and all Collateral Security Assets will be immediately transferred to the Secured Party, without the need for any *mise en demeure/ingebrekestelling* and/or without formality whatsoever; and

(b) the Secured Party (by itself or represented by the Administrator or any representative, agent or expert on its behalf) will be entitled to, in particular, without limitation:

- (i) appoint a substitute servicer to carry out the servicing of the Collateral Security Assets in its name and on its behalf subject to, and in accordance with, the terms of the Collateral Servicing Agreement;
- (ii) notify or instruct the substitute servicer to notify any Debtor of the pledge and the transfer of any Collateral Security Asset made to its benefit in accordance with the provisions of Collateral Security Agreements (see "Collateral Security Agreements – Notification Events" above);
- (iii) exercise all its rights, discretions, privileges and remedies under the Collateral Security Assets, or any related Contract Records and related documents, including, without formality whatsoever, all rights of title, all discretions, benefits and all other rights in relation to any right, privilege, guarantee or security interest (*droit accessoire, privilège, garantie ou sûreté*) ancillary or as the case may be attached to such Collateral Security Assets whatever the value of the Collateral Security Assets at the time of the service of the Enforcement Notice and will be entitled to dispose of, transfer, sale or cause to be sold, any or all of the Collateral Security Assets, but subject to the repayment claim (*créance de restitution*) of the Pledgor against the Secured Party.

The Pledgor will no longer be entitled to service or cause to be serviced the Collateral Security Assets and will refrain from taking any action whatsoever in connection with the Collateral Security Assets or *vis-à-vis* the Debtors, except upon the prior written instructions of the Secured Party or any representative, agent or expert acting on the Secured Party's behalf.

Upon the instructions of the Secured Party, the Pledgor will:

- (i) grant the Secured Party reasonable access to its facilities, premises, computer and/or software systems; and
- (ii) take all steps and do all things and cooperate in good faith to enable the substitute servicer to take over its duties in such capacity.

No right of the Secured Party to enforce the Collateral Security will be in any manner affected or limited by any Insolvency Event with respect to the Pledgor or any of its assets, pursuant to Article L.211-40 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 9/1 of the Belgian Financial Collateral Act.

For the purpose hereof:

**"Asset Contractual Documentation"** means, in relation to any and all Loans and Loan Security, all originals or executive or true copies (*copies exécutoires*) of any contract, instrument or other document (such as riders, waivers and amendments) providing for the terms and conditions of, and/or evidencing title and benefit to, such Loans and any right, privilege, guarantee or security interest (*droit accessoire, privilège, garantie ou sûreté*) ancillary or as the case may be attached thereto.

**"Collection Account"** means any and all bank accounts opened in the name of AXA Bank Belgium to collect interest and principal paid under the Loans.

**"Contract Records"** means:

- (a) the computer and manual records, files, internal data, books and all other information (including information stored in information systems) related to the Loans or the Loan Security, together with the Asset Contractual Documentation and other documents evidencing title of the relevant entity to such assets; and
- (b) the records, files, internal data, computer systems and all other information related to the Collection Accounts and the operation of the same.



On 27 November 2017, AXA Bank Europe SCF (as the Secured Party) and AXA Bank Belgium (the "**Servicer**", the Administrator and the Facility Calculation Agent) entered into a French law collateral servicing agreement (the "**Collateral Servicing Agreement**") as amended from time to time, setting out the general terms and conditions under which (i) the Secured Party appoints the Servicer in relation to the servicing, management and recovery of the Collateral Security Assets and (ii) the Servicer exercises the control (*contrôle*) over such Collateral Security Assets on the behalf of the Secured Party.

#### *Appointment of Servicer*

Until any replacement or termination pursuant to the Collateral Servicing Agreement (see "Collateral Servicing Agreement - Replacement and termination of appointment"), the Secured Party has appointed the Servicer as its agent to provide the Services (see "Collateral Servicing Agreement - Services performed under the Collateral Servicing Agreement"), including, but not limited to, the servicing, management and recovery of the Collateral Security Assets which will include the administration of the Loans, the relating Loan Security and Additional Security.

The Servicer will perform the servicing, management and recovery of the Collateral Security Assets in accordance with applicable laws and the provisions of the Collateral Servicing Agreement, devoting the same amount of time and attention to, and exercising at least the same level of skill, care and diligence in, the performance of the Services as for the servicing, management and recovery of its assets not being the subject of the Collateral Security Assets.

#### *Services performed under the Collateral Servicing Agreement*

The Servicer will perform the following services (the "**Services**") under the Collateral Servicing Agreement (most importantly):

- (a) keep and maintain records for the purposes of identifying amounts of interest, principal (as principal repayments, prepayments, paid-in arrears, principal recoveries, repurchase receipts), Prepayment Penalties and Default Interest paid by the Debtors and any amount of interest or principal or any other sums due from the Debtors in respect of the Collateral Security Assets;
- (b) identify and individualise each and every Collateral Security Asset, so that each Collateral Security Asset may be sufficiently identified (*identifié*) at any time as from their relevant Collateral Effective Date;
- (c) consent to a requested variation, amendment or waiver of the terms or conditions of, or in relation to, a Loan or any rights in relation thereto (a "**Variation**") provided that certain conditions are met such as the following: (i) the Variation will not provide for a full or partial release of the Mortgage, (ii) the Variation will not provide for a reduction of the Outstanding Balance of the Loan otherwise than as a result of an effective payment of principal, (iii) the Variation will not provide for any non-contractual maturity extensions on Loans, (iv) the Variation will not provide for any change in the fixed interest rate in respect of a Loan, (v) the Variation will not imply that the Loan would no longer comply with the Eligibility Criteria (a "**Permitted Variation**");
- (d) procure that (i) all collections of interest, principal, Prepayment Penalties, Default Interest and any other amounts relating to the Collateral Security Assets are credited directly into the Collection Account (or, following any replacement or termination of the Servicer, the replacing collection account in the name of the Substitute Servicer) and (ii) all payments of interest, principal, Prepayment Penalties and Default Interest and any other amounts made by Debtors in respect of the Collateral Security Assets will be paid into the Collection Account in the name of the Servicer (or, following any replacement or termination of the Servicer, the replacing collection account in the name of the Substitute Servicer); and
- (e) take all steps and execute all documents necessary or desirable to maintain the Collateral Security Asset for the whole term of such Collateral Security Asset, including a renewal of the registration of the relevant Mortgage (*inschrijving/inscription*), any costs associated with such maintenance or renewal being paid by the Debtor or the Servicer as the case may be.

For the purpose hereof:

**"Prepayment"** means any voluntary payment of principal on any Loan prior to its scheduled due date in accordance with the provisions for prepayments provided for in the relevant Loan Documents.

**"Prepayment Penalty"** means, in respect of the Collateral Security Agreements, any penalty due in the event of a Prepayment.

The Services will constitute servicing instructions of the Secured Party to the Servicer and the Servicer undertakes that no change will be made to the Services without the Secured Party's prior consent in a way that would not prejudice the rights of the Secured Party under the Collateral Security or the Collateral Security Assets.

#### *Asset Report*

The Servicer will provide the Secured Party with:

- (a) no later than 5.00 pm on each Asset Cover Ratio Test Date, an up-to-date report (the "**Asset Report**") as at the first Business Day of the calendar month immediately preceding such Asset Cover Ratio Test Date;
- (b) no later than 5.00 pm on each Collateral Effective Date, an Asset Report up-to-date as of the 5th Business Day before such Collateral Effective Date, but only including the relevant data and information with respect to the Collateral Security Assets to be pledged as Collateral Security on such Collateral Effective Date in accordance with the Collateral Security Agreements;
- (c) promptly upon the request of the Secured Party while an Event of Default has occurred, an Asset Report up-to-date as at the date which will have been specified in such request; and
- (d) at any time and to control compliance under the Collateral Servicing Agreement or for any audit purposes, such additional information as any Finance Party may reasonably require with prior reasonable notice (except upon the occurrence of an Event of Default where such notice is not required) in connection with any Asset Report, the Collateral Security Assets.

#### *Maintenance of Contract Records*

The Servicer will keep all Contract Records in a secure place and will maintain an adequate form of such records as is necessary to service and enforce each Collateral Security Assets therefore. The Servicer will keep (or procure that the holder thereof will keep) the Contract Records in such a way (either manually or electronically) that they can be clearly distinguished from the documents, files and records relating to other non-pledged loans and any other loans in respect of which the Servicer is the servicer.

#### *Inspection and audit of Contract Records*

Subject to giving prior reasonable notice (except upon the occurrence of a Notification Event where such notice is not required) the Secured Party or any of its representative, agent or expert acting on its behalf may inspect or audit all or any part of the Contract Records, take copies thereof (subject to all applicable laws including (but without limitation) the Pledgor's duties of confidentiality and the applicable legislation on privacy and data protection) and be provided with such information as it may reasonably require in connection with the Collateral Security Assets for the purpose of satisfying itself as to whether such assets are Eligible Collateral Assets and as to the level of compliance with the tests and limits contained herein.

#### *Access to premises*

The Servicer will permit the Secured Party or any of its representative, agent or expert acting on its behalf, upon prior reasonable notice, full access to any premises where the Contract Records may be kept as may be reasonable for a lender to require with a view to verifying compliance with the terms of the Collateral Servicing Agreement and safeguarding the Secured Party's exposure under the same or for any audit purposes. Any such access to premises will only take place during the normal business hours of the Servicer. No such restriction will apply upon the occurrence of a Notification Event.

#### *Replacement and termination of appointment*

*Replacement and termination of appointment – Termination by the Secured Party*

The Secured Party may terminate the appointment of the Servicer under the Collateral Servicing Agreement for any reason and at any time upon the giving of not less than thirty (30) Business Days' notice of such termination, it being understood that the Servicer will continue to properly perform the Services for as long as no Substitute Servicer has effectively been appointed by the Secured Party (unless the Secured Party has elected to perform the Services itself).

*Replacement and termination of appointment – Replacement in case of a Servicer Rating Trigger Event*

If a Servicer Rating Trigger Event occurs which would have a negative impact on the then rating of outstanding Series of Notes at the time of such Servicer Rating Trigger Event, within thirty (30) Business Days of such occurrence, the Administrator will notify the Secured Party in writing of the occurrence of such event and then, within thirty (30) Business Days of such occurrence, the Secured Party and the Servicer will use reasonable endeavours to appoint a new servicer (whose long-term senior unsecured, unsubordinated and unguaranteed debt obligations (if rated) are rated at least Baa3 by Moody's Investors Service Ltd), in replacement of the Servicer to provide the Services in respect of the Collateral Security Assets, it being understood that the Servicer will continue to properly perform the Services for as long as no substitute servicer has effectively been appointed by the Secured Party (unless the Secured Party has elected to perform the Services itself).

For the purpose hereof:

**"Servicer Rating Trigger Event"** means the long-term senior unsecured, unsubordinated and unguaranteed debt obligations of the Servicer is rated below Baa3 by Moody's Investors Service Ltd or is not rated.

*Replacement and termination of appointment of the Servicer - Termination in case of a Servicing Termination Event*

If any of the following events (each a **"Servicing Termination Event"**) occurs:

- (a) the Servicer fails to pay any sum due under the Collateral Servicing Agreement when due, in the currency and in the manner specified herein; provided, however, that where such non-payment is due to an administrative error or the failure of continuing external payment systems or clearing systems reasonably used by the Servicer and such payment is made by the Servicer within five (5) Business Days of such non-payment, such non-payment will not constitute a Servicing Termination Event;
- (b) any material representation or warranty made by the Servicer, in the Collateral Servicing Agreement or in any notice or other document, certificate or statement delivered by it pursuant hereto or in connection herewith is or proves to have been incorrect or misleading in any material respect when made, and the same is not remedied (if capable of remedy) within sixty (60) Business Days after the Administrator or the Secured Party has given notice thereof to the Servicer or (if sooner) the Servicer has knowledge of the same, provided that the Secured Party, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- (c) the Servicer fails to comply with any of its obligations under the Collateral Servicing Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Administrator or the Secured Party has given notice thereof to the Servicer or (if sooner) the Servicer has knowledge of the same, provided that the Servicer, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- (d) as regards the Servicer, an Insolvency Event occurs;
- (e) any effect, event or matter (regardless of its nature, cause or origin and in particular the commencement of any legal, administrative or other proceedings against the Servicer) occurs which is or could be reasonably expected to be materially adverse to (i) the financial or legal situation, assets, business or operations of the Servicer and (ii) the ability of the Servicer to perform its payment obligations or the financial covenants under any of the Facility Documents;
- (f) at any time it is or becomes unlawful for the Servicer to perform or comply with any or all of its material obligations under the Collateral Servicing Agreement or any of the material obligations of the Servicer under the Collateral Servicing Agreement are not or cease to be legal, valid and binding;
- (g) the service by the Secured Party (by itself or as represented by the Administrator or any representative,

agent or expert on its behalf) to the Servicer, as pledgor, of an Enforcement Notice subject to, and in accordance with, the relevant terms of the Facility Agreement and the Collateral Security Agreements following the occurrence of an Event of Default,

the Secured Party (by itself or as represented by the Administrator or any representative, agent or expert on its behalf) may at once, or at any time thereafter while such event continues by notice in writing to the Servicer terminate the appointment of the Servicer under the Collateral Servicing Agreement with effect from a date (not earlier than the date of the notice) specified in such notice, it being understood that the Servicer will continue to properly perform the Services for as long as no Substitute Servicer has effectively been appointed by the Secured Party (unless the Secured Party has elected to perform the Services itself).

## **2. Purchase Documents**

The Mortgage Loan Sale Agreement, the Servicing Agreement, the Purchase Master Definitions and Construction Agreement and the Administrative Agreement are referred to as the "**Purchase Documents**".

### ***Mortgage Loan Sale Agreement***

On 27 November 2017, AXA Bank Europe SCF (the "**Purchaser**") and AXA Bank Belgium (the "**Seller**") entered into a mortgage loan sale agreement (as amended from time to time, the "**Mortgage Loan Sale Agreement**" or the "**MLSA**"), setting out the general terms and conditions under which the Purchaser may purchase from time to time Loans together with the Loan Security and the Additional Security, from the Seller.

The Mortgage Loan Sale Agreement will be governed by and construed in accordance with the laws of Belgium save for the provisions relating to the *Bordereau* (see "Mortgage Loan Sale Agreement – Purchase of Loans" below) which will be governed and construed in accordance with the laws of France.

### ***Purchase of Loans***

Each sale and purchase of Loans under the MLSA (each, a "**Purchase**") will be formalised by the Seller and the Purchaser by:

- (a) executing on the Purchase Date a *Bordereau* governed by Article L.513-13 and Article R.513-12 of the French Monetary and Financial Code (*Code monétaire et financier*); and
- (b) identifying on the Cut-Off Date the Loans on the Seller's IT system as being transferred (*cédés/overgedragen*) in accordance with the identification IT requirements specified in the MLSA.

As a matter of Belgian law, each Loan will be validly transferred (*cédé/overgedragen*) on the relevant Purchase Date in accordance with Articles 1689 *et seq.* of the Belgian Civil Code.

As a matter of French law, the remittance by the Seller of the *Bordereau* to the Purchaser will transfer to the Purchaser the title to the Loans specified in such *Bordereau* with effect from the date affixed thereon at the time of its remittance and such transfer will become enforceable (*opposable*) against third parties on that date, automatically (*de plein droit*) and without further formality (*sans autres formalités*), irrespective of the origination date, the maturity date or the due date of the Loans (*quelle que soit la date de naissance, d'échéance ou d'exigibilité des créances*), regardless of the law governing the Loans and the law of the domicile of the Debtors (*quelle que soit la loi applicable aux créances et la loi du pays de résidence des débiteurs*). The delivery (*remise*) of the *Bordereau* entails the automatic (*de plein droit*) assignment of any security interest, guarantees and ancillary rights attached (*des sûretés, des garanties et des accessoires attachés*) to each Loan, including the mortgage security interests (*sûretés hypothécaires*), and the enforceability (*opposabilité*) of such assignment *vis-à-vis* third parties, without any further formality (*sans qu'il soit besoin d'autre formalité*) under French law.

Each Purchase and transfer of the property on the Loans will have legal effect on the date designated to that effect in the *Bordereau* governed by Articles L.513-13 and R.513-12 of the French Monetary and Financial Code (*Code monétaire et financier*) substantially in the form contained in the MLSA (the "**Purchase Date**"). The economic benefit of the transfer will carry out its effects as from the first calendar day of the month in which a Purchase occurs (the "**Cut-Off Date**").

The sale of the Loans will include *inter alia*:

- (a) the book value of the Loans outstanding (the "**Book Value**") as at the Cut-Off Date;

- (b) all amounts of interest accrued (but not yet due) up to (but excluding) the Cut-Off Date;
- (c) all rights, title, interest and benefit of the Seller in and under the Loans, the Loan Security and the Additional Security.

The purchase price for a Loan will consist in:

- (a) the Book Value of such Loan as at (but excluding) the Cut-Off Date; and
- (b) the accrued interests on such Loan up to (but excluding) the Cut-Off Date,

and will be payable on the relevant Purchase Date.

#### *Eligible Loans*

Each Loan will comply with the same Eligibility Criteria as those set out in respect of Eligible Collateral Assets (see "Facility Documents – Collateral Security Agreements – Eligible Collateral Assets").

#### *Mandatory repurchase in case of breach of representations and warranties and Eligibility Criteria*

If at any time:

- (a) any of the representations and warranties relating to the Loans proves to be untrue, incorrect or incomplete; and
- (b) the Seller has not remedied this within thirty (30) Business Days of receipt of written notice thereof or according to the Servicer it cannot be remedied within such period;

then, the Seller will:

- (a) indemnify the Purchaser for all damages, costs, expenses and losses; and
- (b) repurchase the relevant Loan(s) and Loan Security, together with all other Loans secured by the same All Sums Mortgage, at the Repurchase Price in case of Breach.

The "**Repurchase Price in case of Breach**" will be equal to (i) the Book Value of the Loan as at the Repurchase Date in case of Breach plus (ii) accrued interest thereon and reasonable *pro rata* costs up to (but excluding) the Repurchase Date in case of Breach.

The indemnification and the closing of any repurchase as referred to herein will be completed no later than 45 calendar days after (i) the expiry of the five (5) Business Day cure period referred to herein or (ii) the date on which the Servicer has determined that the matter is not capable of being remedied (the "**Repurchase Date in case of Breach**").

#### *Permitted Variation and repurchase in case of Non-Permitted Variation*

Upon request of a Debtor, the Seller will be entitled to consent, on behalf of the Purchaser, to a Variation to the extent that (i) no Notification Event (see "Mortgage Sale Loan Agreement - Perfection and notice to the Debtors") is outstanding, and (ii) such Variation will not:

- (a) provide for a full or partial release of the Mortgage; or
- (b) provide for a reduction of the Outstanding Balance of the Loan otherwise than as a result of an effective payment of principal; or
- (c) provide for any non-contractual maturity extensions on Loans; or

- (d) provide for any change in the fixed interest rate in respect of a Loan; or
  - (e) imply that the Loan would no longer comply with the Eligibility Criteria,
- (each, a "**Non-Permitted Variation**").

If at any time:

- (a) the Debtor has requested a variation of the terms or conditions of or in relation to a particular Loan or any rights in relation thereto; and
- (b) the Servicer, acting on behalf of the Purchaser, has determined that such proposed variation is a Non-Permitted Variation,

then the Servicer, acting on behalf of the Purchaser, will:

- (a) promptly inform the Seller and the Seller will be deemed to have accepted such Non-Permitted Variation if he has not opposed thereto within one (1) Business Day after being notified by the Servicer (and hence should the Seller oppose to such Non-Permitted Variation, the Servicer will not proceed with the relevant Non-Permitted Variation and promptly inform the relevant Debtor thereof);
- (b) inform the Purchaser, and the Administrator of the Non-Permitted Variation in relation to such Loan thereof as accepted by the Seller in the conditions set out in the MLSA; and
- (c) no later than forty-five (45) calendar days after the date on which the Seller has accepted, or is deemed to have accepted the Non-Permitted Variation, in accordance with (a) above (or, in case such day would not fall on a Business Day, on the immediately succeeding Business Day), arrange for such Loan, together with all other Loans secured by the same All Sums Mortgage, to be repurchased and re-assigned at the Repurchase Price in case of Non-Permitted Variation, and such repurchase and re-assignment of the relevant Loan(s) will be deemed to have been completed at such time (such date being the "**Repurchase Date in case of Non-Permitted Variation**").

The "**Repurchase Price in case of Non-Permitted Variation**" is equal to the Book Value of the Loan as at the Repurchase Date in case of Non-Permitted Variation plus accrued interest thereon and reasonable pro rata costs up to (but excluding) the Repurchase Date in case of Non-Permitted Variation.

All costs and expenses resulting from such repurchase and re-assignment will be borne by the Seller.

#### *Right of first refusal*

If at any time, but prior to a Notification Event, the Purchaser expresses its intention to sell or otherwise transfer whole or part of the aggregate of all Loans that have been purchased by the Issuer pursuant to the MLSA and are at the relevant time still owned by the Purchaser (the "**Portfolio**") pursuant to the MLSA and are at the relevant time still owned by the Purchaser, it will, prior to entering into such sale or transfer, forthwith notify the Seller of its intention and of the conditions, including the price or the consideration, of such intended sale or transfer. The Seller will have the right (but not the obligation) to repurchase such part of the Portfolio from the Purchaser at such conditions.

If the Seller does not exercise such repurchase right within thirty (30) Business Days after having been notified, the Purchaser will have the right during a period of six (6) calendar months to sell or otherwise transfer such part of the Portfolio at conditions which are not less favourable to the Purchaser than the conditions which were notified to the Seller.

#### *Representations, warranties and covenants*

The Seller has made customary representations and warranties and undertakings in favour of the Purchaser, such representations and warranties being given on the execution date of the MLSA and on each Purchase Date.

At all times until all amounts due under the Notes have been redeemed or written-off in full, the Seller covenants in favour of the Purchaser (most importantly) that:

- (a) it will duly and timely comply with its obligations under (i) the Loans and (ii) the Purchase Documents, and will ensure payment of the amounts due by it thereunder
- (b) it will obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations, approvals, licences and consents required in or by all applicable laws for the performance of its obligations hereunder and under any of the Purchase Documents;
- (c) it will, forthwith upon becoming aware of any actual or threatened litigation or dispute concerning any Loan or the Purchaser's right and interest thereto, any seizure by a third party of a mortgaged property, or any procedure for the *purge/zuivering* of any Mortgage, give notice thereof to the Purchaser;
- (d) it will have systems in place in relation to Loans that are capable of providing the information to which the Purchaser is reasonably and properly entitled pursuant to the Purchase Documents, use all reasonable endeavours to maintain such systems in working order, and permit the Purchaser, any firm of independent accountants and/or any other representatives of the Purchaser upon ten (10) days' prior written notice (unless a Notification Event has occurred in which case no notice is required) to enter under the direct supervision of the Seller upon their premises to:
  - (i) inspect and satisfy itself or themselves that the systems are in place, maintained in working order and are capable of providing the information to which the Seller is reasonably and properly entitled pursuant to the Purchase Documents; and
  - (ii) examine and make copies of and extracts from all Accounting Records (subject to certain conditions);
- (e) it will keep all Contract Records relating to the Loans for the account of the Purchaser and, upon termination of its appointment as Servicer, the Seller will forthwith deliver the Contract Records to the Purchaser or as the Purchaser will direct;
- (f) it will keep all Contract Records and Loan Documents, on a Loan by Loan basis, for the purposes of identifying amounts of principal and interest paid by each Debtor, any amount due by a Debtor and the balance from time to time outstanding on a Loan;
- (g) it will at its expense in a timely manner fully perform and comply with all provisions, covenants and other promises required to be observed by it under the Loan Documents.
- (h) it has instructed and will at all times continue to instruct the Debtor (and the Seller has no reason to believe that the Debtor will not do so) to pay any amounts due under the relevant Loan for which the aggregate of all such amounts will be transferred to the Collection Account (or the substitute collection account, as applicable), from where payments are debited to the Transaction Account on the same Business Day. The due implementation of this instruction is evidenced by means of the continued due payment by the Debtor or any other reasonable method chosen by the Seller and notified to the Purchaser;
- (i) if at any time (i) a Debtor, Insurance Company or other collateral provider invokes a right or defence, including a right of set-off of amounts due by the Seller to it with the relevant Loan and (ii) as a consequence thereof the Purchaser does not receive the full amount in respect of such Loan, Insurance Policy, Loan Security or Additional Security, the Seller will pay to the Purchaser a positive amount equal to the difference between:
  - (i) the amount which the Purchaser would have received in respect of the relevant Loan, Insurance Policy, Loan Security or Additional Security if no right or defence had been raised or a set-off had taken place; and
  - (ii) the amount actually received by the Purchaser in respect of such Loan, Insurance Policy, Loan Security or Additional Security.
- (j) it will:

- (i) notify the Purchaser of any attachment (*bewarend beslag/saisie conservatoire* or *uitvoerend beslag/saisie exécutoire*) by its creditors to any Loan, Insurance Policy or other collateral which may lead to the Debtors, Insurance Companies or other collateral providers being required to make payments to the creditors of the Seller;
  - (ii) not give any instructions to the Debtors, Insurance Companies or other collateral providers to make any such payments; and
  - (iii) indemnify the Purchaser against any reduction in the obligations to the Purchaser of the Debtors, Insurance Companies or other collateral providers due to payments to creditors of the Seller;
- (k) in the event the Seller receives from a Debtor (by mistake or intent or otherwise) any amount which is in fact due to the Purchaser, it will pay such amount forthwith to the Purchaser. In the event that at any time the Seller receives any amount under the Insurance Policies whether by way of surrender value (*afkoopwaarde/valeur de rachat*) or otherwise, the Seller will pay such amount forthwith to the Purchaser; and
- (l) it will not sell, transfer, assign or otherwise dispose of any Loan, related Loan Security or Additional Security or attempt, purport or agree to do any of the foregoing.

For the purpose hereof:

**"Accounting Records"** means, in respect of any Loan, all books, books of account, registers, records, databases and other information (including, without limitation, computer programmes, tapes, discs, software and related property rights) maintained (and recreated in the event of destruction of the originals thereof) with respect to such Loan and the related Debtor.

**"Loan Documents"** means in respect of a particular Loan, the completed loan documents and ancillary documents in respect of a Loan which set out the terms and conditions of the Loan, the Loan Security and the Additional Security.

**"Transaction Account"** means, in respect of the Purchase Documents, a bank account held by the Purchaser on which the collections are credited from the Collection Account.

*Indemnity, taxes and increased costs*

The MLSA contains the following provisions:

Under the MLSA, the Seller agrees to immediately indemnify the Purchaser from and against any damages and losses awarded against or incurred by any of them relating to or resulting from:

- (a) any breach of any representation or warranty made by the Seller under the MLSA or as result of any other information or report delivered by the Seller to the Purchaser, which is proved to be false, incorrect or to have omitted any material fact at the time made or deemed made,
- (b) any failure by the Seller to comply with any applicable law, rule or regulation with respect to any Loan, Loan Security or Additional Security, or the non-conformity of any Loan, Loan Security or Additional Security with any such applicable law, rule or regulation;
- (c) any dispute, claim, offset or defence (other than the effects of the bankruptcy (*faillissement/faillite*), judicial reorganization (*gerechtelijke reorganisatie/reorganisation judiciaire*) or collective debt settlement (*collectieve schuldenregeling/règlement collectif de dettes*) of the Debtor) of the Debtor, a relevant Insurance Company or other collateral provider to the payment of a Loan, including, without limitation, a defence based on such Loan, Insurance Policy or the related Loan Security or Additional Security not being a legal, valid and binding obligation of such Debtor, Insurance Company or other collateral provider enforceable against it in accordance with its terms, or any other dispute, claim, set-off or defence resulting from the failure by the Seller to perform any obligations related to such Loan, or the failure by the Seller to perform any obligations related to any applicable laws, rules or regulations in respect thereof;
- (d) any product liability claims or material personal injury or property damage suit or other similar or



related claims or action of whatever sort arising out of or in connection with the goods which are the subject to any Loan (if any);

- (e) any disclosure of false, misleading or incomplete information regarding the Debtors by the Seller to the Purchaser or the supply of any Loan Documents, records and all other related documents to the Purchaser; and
- (f) any claim arising from collection activities conducted by the Seller, including, without limitation, any failure by the Seller, whether as Seller or in its capacity as Servicer, to transfer any payment of interest and principal under the Loans to the Transaction Account,

excluding, however, damages and losses resulting solely from gross negligence (*grave foute/faute grave*), wilful misconduct or fraud on the part of the Purchaser.

The Seller will pay all and any taxes that the Purchaser is or may be liable for in respect of the entering into any Purchase Document or any judgement given in connection therewith, from time to time, on demand of the Purchaser and will immediately indemnify in full the Purchaser against any liabilities, costs, claims and expenses resulting from any failure to pay or any delay in paying any such tax, except those penalties and interest charges that are due to the gross negligence, wilful misconduct or fraud of the Purchaser.

All payments to be made by the Seller to the Purchaser under the MLSA will be made free and clear of and without deduction for or on account of tax unless the Seller is required to make such a payment subject to the deduction or withholding of tax, in which case the sum payable by the Seller in respect of which such deduction or withholding is required to be made will be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Purchaser receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

#### *Perfection and notice to the Debtors*

The Purchaser and the Seller agree and acknowledge that the transfer and assignment of legal title to the Loans will be valid and effective against all third parties as from the transfer of the Loans (see "Mortgage Sale Loan Agreement – Purchase of Loans").

The Purchaser acknowledges and agrees that it will not give notice to any Debtor of the assignment to the Purchaser of the Loans until and unless:

- (a) the occurrence of a Notification Event; or
- (b) an attachment or similar claim in respect of any Loan is received, in which case notice will be given only to the Debtor of the Loan concerned.

The following events or circumstance shall constitute a "**Notification Event**" under the Purchase Documents:

- (a) the occurrence of Servicing Termination Event (see "Purchase Documents - Replacement and termination of appointment of the Servicer - Termination in case of a Servicing Termination Event" below); or
- (b) the occurrence of an Insolvency Event in respect of the Seller; or
- (c) the Purchaser is required to serve a Notice to Debtor by an order of any court or supervisory authority; or
- (d) whether as a reason of a change in law (or case law) or for any other reason (such as when it becomes necessary as a result of a change of law), to protect the interests of the Purchaser to record the sale by way of marginal notation (*kantmelding/mention marginale*) and to the extent notified thereof by the Servicer or the Purchaser reasonably considers it necessary to protect its interests over the Loans, the Loan Security or the Additional Security to do so, and serves notice on the Seller to such effect (setting out its reasons therefore); or

- (e) the Seller fails in any material respect to duly perform, or comply with, any of its obligations under the Purchase Documents to which it is a party and such failure, if capable of being remedied, is not remedied within ten (10) Business Days after notice thereof; or
- (f) any representation, warranty or statement made or deemed to be made by the Seller under any of the Purchase Documents to which it is a party or in any notice or other document, certificate or statement delivered by it pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period, untrue or incorrect in any material respect, save for any breach of representations and warranties relating to a Collateral Security Asset which is, following such breach, substituted; or
- (g) the Seller:
  - a. has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its dissolution (*ontbinding/dissolution*) and liquidation (*vereffening/liquidation*); or
  - b. has become subject to emergency regulations (*noodregeling/mesure d'urgence*) or, if applicable, applies for or is granted a suspension of payments (*opschorting van betaling/surséance des paiements*); or
  - c. it becomes unlawful for the Seller to perform all or a material part of its obligations under the Purchase Documents in such a manner that this would have a material adverse effect on its ability to perform such obligations.

Following a Notification Event, the Seller will give notice of the sale to the Purchaser of any Loan, to each of the following and to the extent applicable:

- (a) the Servicer;
- (b) the Debtors;
- (c) any notary public, mortgage registrar, public administration, property expert, broker or other person referred to in the definition of Additional Security;
- (d) the provider of Loan Security;
- (e) the Insurance Company providing the Life Insurance Policy;
- (f) the CKP (*Centrale voor Kredieten aan Particulieren/Centrale des Crédits aux Particuliers*);
- (g) the Insurance Company providing the Hazard Insurance Policy; and
- (h) Moody's Investors Service Ltd.

### ***Servicing Agreement***

On 27 November 2017, AXA Bank Europe SCF (the Purchaser) and AXA Bank Belgium (the Servicer, the Administrator and the Seller) entered into a Belgian law servicing agreement (the "**Servicing Agreement**") as amended from time to time, setting out the general terms and conditions under which (i) the Purchaser appoints the Servicer in relation to the Loans and relating Loan Security and/or Additional Security and (ii) the powers and the responsibilities of each of the Servicer and the Administrator.

### ***Appointment of Servicer***

Until any replacement or termination pursuant to the Servicing Agreement (see "Servicing Agreement - Replacement and termination of appointment"), the Purchaser has appointed the Servicer as its agent to provide the Services (see "Servicing Agreement - Services performed under the Servicing Agreement"), including, but not limited to the administration of the Loans, the relating Loan Security and Additional Security and to exercise their respective rights, powers and discretions, and to perform their duties, in respect of such assets and any related rights.

The Servicer will perform the administration of the Loans, the relating Loan Security and Additional Security in accordance with applicable laws and the provisions of the Servicing Agreement, devoting the same amount of

time and attention to, and exercising at least the same level of skill, care and diligence in, the performance of the Services as for as it would if it were administering loans in respect of which it is the lender.

#### *Services performed under the Servicing Agreement*

The Servicer will perform the following services (the "**Services**") under the Servicing Agreement (most importantly):

- (a) keep and maintain records for the purposes of identifying amounts of interest, principal (as principal repayments, prepayments, paid-in arrears, principal recoveries, repurchase receipts), Prepayment Penalties and Default Interest paid by the Debtors and any amount of interest or principal or any other sums due from the Debtors in respect of the Loans, Loan Security and Additional Security;
- (b) procure that (i) all collections of interest, principal, Prepayment Penalties, Default Interest and any other amounts relating to the Loans are credited directly into the Collection Account (or, following any replacement or termination of the Servicer, the replacing collection account in the name of the substitute servicer) and (ii) all payments of interest, principal, Prepayment Penalties and Default Interest and any other amounts made by Debtors in respect of the Loans will be paid into the Collection Account in the name of the Servicer (or, following any replacement or termination of the Servicer, the replacing collection account in the name of the substitute servicer); and
- (c) take all steps and execute all documents necessary or desirable to maintain the Loan Security and Additional Security for the whole term of the Loan, including a renewal of the registration of the relevant Mortgage (*inschrijving/inscription*), any costs associated with such maintenance or renewal being paid by the Debtor or the Servicer as the case may be.

The Services will constitute servicing instructions of the Purchaser to the Servicer and the Servicer undertakes that no change will be made to the Services without the Purchaser's prior consent in a way that would not prejudice the rights of the Purchaser under the MLSA.

#### *Asset Report*

The Servicer will provide the Purchaser with:

- (a) a report on the cash-flows generated by the Loans during the month preceding the Asset Report Date indicating their source and any repurchases or re-assignments of Loans in accordance with the MLSA (the "**Asset Report**") in the form set out in the Servicing Agreement to be submitted at the latest on the 20th of each month in respect of the immediately preceding month (the "**Asset Report Date**");
- (b) promptly upon the request of the Purchaser, an Asset Report up-to-date as at the date which shall have been specified in such request; and
- (c) at any time and to control compliance under the Servicing Agreement or for any audit purposes, such additional information as the Purchaser may reasonably require with prior reasonable notice (except upon the occurrence of an Event of Default where such notice is not required) in connection with any Asset Report, the Loans, Loan Security or Additional Security.

#### *Maintenance of Contract Records*

The Servicer will keep all Contract Records in a secure place and will maintain an adequate form of such records as is necessary to service and enforce each Loan and the relevant Loan Security and Additional Security thereof. The Servicer will keep (or procure that the holder thereof will keep) the Contract Records in such a way (either manually or electronically) that they can be clearly distinguished from the documents, files and records relating to other non-purchased loans and any other loans in respect of which the Servicer is the servicer or the seller.

#### *Inspection and audit of Contract Records*

Subject to giving prior reasonable notice (except upon the occurrence of a Notification Event where such notice is not required) the Secured Party or any of its representative, agent or expert acting on its behalf may inspect or audit all or any part of the Contract Records, take copies thereof (subject to all applicable laws including (but without limitation) the Pledgor's duties of confidentiality and the applicable legislation on privacy and data protection) and be provided with such information as it may reasonably require in connection with the Collateral

Security Assets for the purpose of satisfying itself as to whether such assets are Eligible Collateral Assets and as to the level of compliance with the tests and limits contained herein.

*Access to premises*

The Servicer will permit the Purchaser or any of its representative, agent or expert acting on its behalf, upon prior reasonable notice, full access to any premises where the Contract Records may be kept as may be reasonable for a lender to require with a view to verifying compliance with the terms of the Servicing Agreement and safeguarding the Purchaser's exposure under the same or for any audit purposes. Any such access to premises will only take place during the normal business hours of the Servicer. No such restriction will apply upon the occurrence of a Notification Event.

*Replacement and termination of appointment*

*Replacement and termination of appointment – Termination by the Secured Party*

The Purchaser may terminate the appointment of the Servicer under the Servicing Agreement for any reason and at any time upon the giving of not less than thirty (30) Business Days' notice of such termination, it being understood that the Servicer will continue to properly perform the Services for as long as no Substitute Servicer has effectively been appointed by the Purchaser (unless the Purchaser has elected to perform the Services itself).

*Replacement and termination of appointment – Replacement in case of a Servicer Rating Trigger Event*

If a Servicer Rating Trigger Event occurs which would have a negative impact on the then rating of outstanding Series of Notes at the time of such Servicer Rating Trigger Event, within thirty (30) Business Days of such occurrence, the Administrator will notify the Purchaser in writing of the occurrence of such event and then, within thirty (30) Business Days of such occurrence, the Purchaser and the Servicer will use reasonable endeavours to appoint a new servicer (whose long-term senior unsecured, unsubordinated and unguaranteed debt obligations (if rated) are rated at least Baa3 by Moody's Investors Service Ltd), in replacement of the Servicer to provide the Services in respect of the Loans, it being understood that the Servicer will continue to properly perform the Services for as long as no substituteservicer has effectively been appointed by the Purchaser (unless the Purchaser has elected to perform the Services itself).

*Replacement and termination of appointment of the Servicer - Termination in case of a Servicing Termination Event*

If any of the following events (each a "**Servicing Termination Event**") occurs:

- (a) the Servicer fails to pay any sum due under the Servicing Agreement when due, in the currency and in the manner specified herein; provided, however, that where such non-payment is due to an administrative error or the failure of continuing external payment systems or clearing systems reasonably used by the Servicer and such payment is made by the Servicer within five (5) Business Days of such non-payment, such non-payment will not constitute a Servicing Termination Event;
- (b) any material representation or warranty made by the Servicer, in the Collateral Servicing Agreement or in any notice or other document, certificate or statement delivered by it pursuant hereto or in connection herewith is or proves to have been incorrect or misleading in any material respect when made, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Administrator or the Purchaser has given notice thereof to the Servicer or (if sooner) the Servicer has knowledge of the same, provided that the Purchaser, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- (c) the Servicer fails to comply with any of its obligations under the Servicing Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Administrator or the Purchaser has given notice thereof to the Servicer or (if sooner) the Servicer has knowledge of the same, provided that the Servicer, at its discretion, certifies that it is prejudicial to the interest of the holders of the relevant Notes;
- (d) as regards the Servicer, an Insolvency Event occurs;

- (e) any effect, event or matter (regardless of its nature, cause or origin and in particular the commencement of any legal, administrative or other proceedings against the Servicer) occurs which is or could be reasonably expected to be materially adverse to (i) the financial or legal situation, assets, business or operations of the Servicer and (ii) the ability of the Servicer to perform its payment obligations or the financial covenants under any of the Purchase Documents; and
- (f) at any time it is or becomes unlawful for the Servicer to perform or comply with any or all of its material obligations under the Servicing Agreement or any of the material obligations of the Servicer under the Servicing Agreement are not or cease to be legal, valid and binding,

the Purchaser (by itself or as represented by the Administrator or any representative, agent or expert on its behalf) may at once, or at any time thereafter while such event continues by notice in writing to the Servicer terminate the appointment of the Servicer under the Servicing Agreement with effect from a date (not earlier than the date of the notice) specified in such notice, it being understood that the Servicer will continue to properly perform the Services for as long as no Substitute Servicer has effectively been appointed by the Purchaser (unless the Purchaser has elected to perform the Services itself).

### **3. Outsourcing contracts**

The Issuer having no employees or other resources, it has entered into two outsourcing services contracts (as amended from time to time), *i.e.* the Administrative Services Agreement and the Management and Recovery Agreement.

See "Description of the Issuer – Staff and Outsourcing Agreements" for more details.

### **4. Cash Advance Agreement**

The Issuer has entered into the Cash Advance Agreement with AXA Bank Belgium setting out the terms and conditions under which AXA Bank Belgium undertakes to:

- (i) make cash advances to the Issuer on any Interest Payment Date, Instalment Date or Maturity Date (or Extended Maturity Date) of any Series of Notes (as determined in the Final Terms of such Series of Notes) issued by the Issuer or any payment date under any hedging agreement benefiting from the *Privilège*;
- (ii) each time a Pre-Maturity Reserve Trigger Event occurs during the Pre-Maturity Reserve Test Period and for so long as it is continuing during such period, fund a Pre-Maturity Reserve (in cash and/or securities) in an amount equal to the Pre-Maturity Reserve Required Amount, in accordance with, and subject to, the terms and conditions set forth in the Cash Advance Agreement;
- (iii) each time a Mortgage Promissory Notes Commingling Reserve Trigger Event occurs, fund a Mortgage Promissory Notes Commingling Reserve (in cash only) in an amount equal to the Mortgage Promissory Notes Commingling Reserve Required Amount, in accordance with, and subject to, the terms and conditions set forth in the Cash Advance Agreement; and
- (iv) if a Collection Loss Reserve Trigger Event occurs, fund a Collection Loss Reserve (in cash and/or securities) in an amount to the Collection Loss Reserve Required Amount in accordance with, and subject to, the terms and conditions set forth in the Cash Advance Agreement.

Any sum due (in interest or principal) under Cash Advance Agreement by the Issuer to AXA Bank Belgium will not benefit from the *Privilège*.

Finally, AXA Bank Belgium contractually undertakes towards the Issuer to ensure, by providing liquidity support or assigning additional eligible assets or otherwise, that the Issuer will, at all times, maintain an overcollateralisation ratio between the total amount of assets of the Issuer and the total amount of its liabilities benefiting from the *Privilège* equal to, or greater than, 112%.

See "Risk factors relating to the Issuer and its operations – Liquidity Risk".

### **5. Hedging agreements**

In connection with the issue of Notes under the Programme, the Issuer has entered and may in future enter into certain hedging agreements and related hedging transactions with AXA Bank Belgium in its capacity as eligible

hedging provider or other banking entities in accordance with relevant rating agency requirements. These hedging agreements and related hedging transactions are entered into by the Issuer as part of its hedging strategy to hedge interest rate and/or currency risk. For a description of the Issuer's hedging strategy and the associated risks, see above under "Risk Factors – Interest rate and currency risks" and "Risk Factors – Credit risk on bank counterparties".

#### **6. Senior loan agreements**

The Issuer may in future enter into certain term senior loan agreements with AXA Bank Belgium in order to finance the general needs of the Issuer and/or certain expenses in connection with the issue of Notes under the Programme. The sums due by the Issuer (in interest or principal) under the term senior loan agreements will not benefit from the *Privilège* (priority of payments).

#### **7. Mortgage promissory notes (billets à ordre hypothécaires)**

The Issuer has entered into a general framework agreement relating to mortgage promissory notes (*Convention Cadre de Mobilisation de Créances (Billet Hypothécaire)*) dated 14 November 2014 with AXA Banque under which AXA Bank Europe SCF may subscribe from time to time mortgage promissory notes (*billets à ordre hypothécaires*) issued by AXA Banque, the purpose of which are to refinance French residential loan receivables originated by AXA Banque. Any such mortgage promissory note will be issued by AXA Banque and subscribed by AXA Bank Europe SCF under a a refinancing receivables agreement (*Convention de Mobilisation de Créances*).

Such loan receivables benefit from a guarantee (*cautionnement solidaire*) issued by Crédit Logement, a credit institution licensed by the *Autorité de contrôle prudentiel et de résolution* as a financing company (*société de financement*) which is not included in the scope of consolidation of AXA Bank Europe SCF.

The loan receivables originated by AXA Banque are currently serviced by Crédit Foncier de France. AXA Banque is responsible for servicing and custody of such loan receivables. AXA Banque sub-contracts the servicing and custody of the loan receivables originated by AXA Banque to Crédit Foncier de France. The Issuer, as subscriber of the mortgage promissory note (*billet à ordre hypothécaire*) issued by AXA Banque, benefits from this arrangement by a third party benefit mechanism (*stipulation pour autrui*).

## FORM OF FINAL TERMS

**[PRIIPS REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of the Markets in Financial Instruments Directive 2014/65/EU dated 15 May 2014, as amended from time to time ("MiFID II"); or (ii) a customer within the meaning of Directive 2016/97 (EU), as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>22</sup>

**[<sup>23</sup>MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties[./ and] professional clients[only, each as defined [in Directive 2014/65/EU (as amended, "MiFID II") / MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]<sup>24</sup>

OR

**[MiFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "MiFID II") / MiFID II]; ***EITHER*** <sup>25</sup>[and (ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]<sup>25</sup>] ***OR***<sup>26</sup> [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[./ and] portfolio management[./ and][ non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]<sup>27</sup>. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]<sup>28</sup> .]]

<sup>22</sup> Legend to be included if the Notes are not intended to be sold to retail clients.

<sup>23</sup> Legend to be included following completion of the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018.

<sup>24</sup> Legend to be included if the Notes are not intended to be sold to retail clients.

<sup>25</sup> Include for Notes that are not ESMA complex.

<sup>26</sup> This list may not be necessary, especially for bonds that are not ESMA complex where all channels of distribution may be appropriate. It reflects the list used in the examples in the ESMA Guidelines.

<sup>27</sup> Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

<sup>28</sup> ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. At the time of the programme establishment/update consider what types of bonds may be issued and whether the flexibility to include a negative target market may be needed for relevant issuance. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

<sup>29</sup> Legend to be included if the Notes are intended to be sold to retail clients.

**Final Terms dated [ ● ]**

**AXA BANK EUROPE SCF**  
**(Issuer)**

Issue of [Aggregate Nominal Amount of Tranche] *Obligations Foncières* due [ ● ]  
under the €9,000,000,000 Euro Medium Term Note Programme

Issue Price: [ ● ] per cent.

[Name(s) of Dealer(s)]



## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the base prospectus dated 18 December 2018 [and the supplement to the base prospectus dated [●]] ([together,] the "**Base Prospectus**") which [together] constitute[s] a base prospectus for the purposes of Article 5.4 of the Directive 2003/71/EC as amended (the "**Prospectus Directive**").

This document constitutes the final terms of the Notes (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented by the supplement[s] to the base prospectus dated [●]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. [A summary of the issue of the Notes is annexed to these Final Terms]<sup>29</sup>. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the websites of (i) the Luxembourg Stock Exchange (www.bourse.lu) and (ii) the Issuer (<https://www.axabank.be/fr/a-propos-axa-banque/investor-relations-and-financial-information/covered-bonds>), in each case during a period of at least twelve (12) months from the date of the Base Prospectus, [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>30</sup>, the Base Prospectus [and the supplement to the Base Prospectus] and these Final Terms are available for viewing [on/at] [●].]

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

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions which are the [2011 Terms and Conditions] / [2014 Terms and Conditions] / [2016 Terms and Conditions] / [March 2017 Terms and Conditions] / [December 2017 Terms and Conditions] which are incorporated by reference in the Base Prospectus (as defined below). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC as amended (the "**Prospectus Directive**") and must be read in conjunction with the base prospectus dated 18 December 2018 [as supplemented by the supplement[s] to the base prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"), including the Conditions incorporated by reference in this Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the [2011 Terms and Conditions] / [2014 Terms and Conditions] / [2016 Terms and Conditions] / [March 2017 Terms and Conditions] / [December 2017 Terms and Conditions]. [A summary of the issue of the Notes is annexed to these Final Terms]<sup>31</sup>. The Base Prospectus is available for viewing on the websites of (i) the Luxembourg Stock Exchange (www.bourse.lu) and (ii) the Issuer (<http://www.axabank.eu/eng/financialinformation-overview/coveredbonds>), in each case during a period of at least twelve (12) months from the date of the Base Prospectus, [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>32</sup>, the Base Prospectus and the Final Terms are available for viewing [on/at] [●].]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if ""Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]*

1. (i) **Series Number:** [●]
- (ii) **Tranche Number:** [●]
- (iii) **Date on which the Notes will be assimilated (*assimilables*) and form a single Series:** [Not Applicable / The Notes will, upon listing, be assimilated (*assimilées*), form a single series and be interchangeable for trading purposes with the [[Currency] [Aggregate Nominal Amount of Tranche] [Title of Notes]] on [●].]
2. **Specified Currency or Currencies:** [●]

<sup>29</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>30</sup> If the Notes are admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange.

<sup>31</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>32</sup> If the Notes are admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange.

3. **Aggregate Nominal Amount of Notes:** [●] (*Insert amount*)
- (i) Series: [●]
- (ii) Tranche: [●]
4. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount [plus an amount corresponding to accrued interest at a rate of [●] per cent. of such Aggregate Nominal Amount for the period from, and including, the Interest Commencement Date to, but excluding, the Issue Date (*if applicable*)]
5. **Specified Denomination(s) (Condition 1 (b)):** [●]  
(*one (1) denomination only for Dematerialised Notes*) (*Not less than €1,000 or its equivalent in other currency at the Issue Date when the Notes are admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive*)<sup>3</sup>
6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [*Specify*]/Issue Date/Not Applicable]
7. **Maturity Date (Condition 6 (a)):** [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*] [*If applicable, refer to paragraph 8 below for the Extended Maturity Date*]
8. **Extended Maturity Date (Condition 6 (a)):** [If the Final Redemption Amount is not paid on the Maturity Date, such payment of unpaid amount will be deferred and shall be due and payable on [●], provided that the Final Redemption Amount unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date occurring thereafter up to and including the Extended Maturity Date. / Not Applicable.]
9. **Interest Basis (Condition 5):** [[●] per cent. Fixed Rate]  
(*further particulars specified in paragraph 15 below*)  
[Floating Rate]  
(*further particulars specified in paragraph 16 below*)  
[Zero Coupon]  
(*further particulars specified in paragraph 17 below*)  
[Fixed/Floating Rate]  
(*further particulars specified in paragraphs 11 and 18 below*)  
[Inverse Floating Rate]  
(*further particulars specified in paragraph 19 below*)
10. **Redemption/Payment Basis (Condition 6):** [Redemption at par]  
[Instalment]  
(*further particulars specified below*)
11. **Change of Interest Basis (Conditions 5(e)):** Applicable (for Fixed/Floating Rate Notes)/Not Applicable]

<sup>3</sup> Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitute a contravention of section 19 of FSMA and having a maturity of less than one year must have a minimum denomination of Sterling 100,000 (or its equivalent in other currencies).

12. **Put/Call Options (Conditions 6 (c) and 6 (d)):** [Issuer Call]  
[Put Option]  
(further particulars specified in paragraphs [20/21])  
[Not Applicable]
13. **Date of corporate authorisations for issuance of Notes obtained:** Decision of the Board of Directors (*Conseil d'administration*) dated [●]
14. **Method of distribution:** [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. **Fixed Rate Notes Provisions (Condition 5(b)):** [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) **Rate(s) of Interest:** [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly] in arrear on each Interest Payment Date]
- (ii) **Interest Payment Date(s):** [●] in each year up to and including the Final Maturity Date [or the Extended Final Maturity Date, as the case may be]  
[Unadjusted/[specify Business Day Convention (Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention) and any applicable Business Centre(s) for the definition of "Business Day"]]
- (iii) **Fixed Coupon Amount(s):** [●] per [●] in Specified Denomination [subject to the Broken Amount(s) referred to in subparagraph (iv) below]
- (iv) **Broken Amount(s):** [€[●], being the [initial or final] broken interest amount which does not correspond with the Fixed Coupon Amount(s)]/Not Applicable]
- (v) **Day Count Fraction:** [●] [Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act-ISDA / Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Act/Act-ICMA / Actual/365 (Fixed) / Act/365 (Fixed) / A/365 (Fixed) / A/365 F / Actual/360 / Act/360 / A/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360/ Eurobond Basis / 30E/360-FBF / 30E/360-ISDA]
- (vi) **Determination Dates:** [●] in each year  
(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date (or Extended Maturity Date) in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
16. **Floating Rate Notes Provisions (Condition 5 (c)):** [Applicable / Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) **Interest Period(s):** [●]
- (ii) **Specified Interest Payment Dates:** [●]
- (iii) **First Interest Payment Date:** [●]
- (iv) **Interest Period Date:** [Interest Payment Date/Other (specify date)]
- (v) **Business Day Convention:** [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified

- Following Business Day Convention/ Preceding Business Day Convention  
*[Insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount]*
- (vi) Business Centre(s) (Condition 5(a)): [Not Applicable]/[ ● ]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [FBF Determination/ ISDA Determination/ Screen Rate Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [Not Applicable]/[ ● ]
- (ix) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): [ ● ]  
*(specify [EURIBOR, LIBOR, EONIA, EUR CMS or other] and months [e.g. EURIBOR 3 months])*  
*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(A), insert the relevant interest period(s) and the relevant two rates used for such determination]*
- Floating Rate Determination Date (*Date de Détermination du taux Variable*): [ ● ]
- (x) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ● ]  
*(specify [EURIBOR, LIBOR, EONIA, EUR CMS or other] and months [e.g. EURIBOR 3 months])*  
*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(B), insert the relevant interest period(s) and the relevant two rates used for such determination]*
- Designated Maturity: [ ● ]
- Reset Date: [ ● ]
- (xi) Screen Rate Determination: [Applicable/Not Applicable]
- Benchmark: *(specify [EURIBOR, LIBOR, EONIA, EUR CMS or other] and months [e.g. EURIBOR 3 months])(additional information if necessary)*  
*[If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 5(c)(iii)(C), insert the relevant interest period(s) and the relevant two rates used for such determination]*
- Relevant Time: [ ● ]
- Interest Determination Date(s): [ ● ]
- Primary Source: [Specify relevant screen page or "Reference Banks"]
- Reference Banks (if Primary Source is "Reference Banks"): [Specify four]
- Relevant Financial Centre: *[The financial centre most closely connected to the Benchmark - specify if not Paris]*

- Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
  - Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
  - Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period]
  - (xii) Margin(s): [+/-] [●] per cent. *per annum*
  - (xiii) Minimum Rate of Interest: [Not Applicable/[●] per cent. *per annum*]
  - (xiv) Maximum Rate of Interest: [Not Applicable/[●] per cent. *per annum*]
  - (xv) Day Count Fraction: [●]
- 17. Zero Coupon Notes Provisions (Condition 5 (d)):** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. *per annum*
  - (ii) Day Count Fraction: [●] [Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act-ISDA / Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Act/Act-ICMA / Actual/365 (Fixed) / Act/365 (Fixed) / A/365 (Fixed) / A/365 F / Actual/360 / Act/360 / A/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360/ Eurobond Basis / 30E/360-FBF / 30E/360-ISDA]
- 18. Fixed/Floating Rate Notes (Condition 5(e)):** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Automatic Change of Interest Basis: [Applicable/Not Applicable]
  - (ii) Rate of Interest applicable to the Interest Periods preceding the Switch Date (excluded): Determined in accordance with [Condition 5(b), as though the Note was a Fixed Rate Note]/ [Condition 5(c), as though the Note was a Floating Rate Note] with further variables set out in item [●] of these Final Terms
  - (iii) Rate of Interest applicable to the Interest Periods following the Switch Date (included): Determined in accordance with [Condition - 5(b), as though the Note was a Fixed Rate Note]/ [Condition 5(c), as though the Note was a Floating Rate Note] with further variables set out in item [●] of these Final Terms
  - (iv) Switch Date: [●]
- 19. Inverse Floating Rate Notes Provisions (Condition 5(f)):** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Fixed Rate: [[●] per cent. *per annum* [payable [annually / semi-annually / quarterly / monthly] in arrear]
  - (ii) Interest Period(s): [●]
  - (iii) Specified Interest Payment Dates: [●]
  - (iv) First Interest Payment Date: [●]

- (v) Interest Period Date: [Interest Payment Date/other (*specify date*)]
- (vi) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/ Modified  
Following Business Day Convention/ Preceding  
Business Day Convention]
- [Insert "unadjusted" if the application of the  
relevant business day convention is not  
intended to affect the Interest Amount]
- (vii) Business Centre(s) (Condition 5(a)): [Not Applicable]/[ ● ]
- (viii) Manner in which the Rate(s) of Interest  
is/are to be determined: [Fixed Rate] minus [FBF Determination/ ISDA  
Determination/ Screen Rate Determination]
- (ix) Party responsible for calculating the  
Rate(s) of Interest and/or Interest Amount(s) (if  
not the Calculation Agent): [ ● ]
- (x) FBF Determination: [Applicable/Not Applicable]  
Floating Rate (*Taux Variable*): [ ● ] (*specify EURIBOR, LIBOR, EONIA, EUR  
CMS or others*) and months [*e.g. EURIBOR 3  
months*])
- [If the Rate of Interest is determined by linear  
interpolation in respect of an interest period (as  
per Condition 5(c)(iii)(A), insert the relevant  
interest period(s) and the relevant two rates  
used for such determination]
- Floating Rate Determination Date (*Date de  
Détermination du Taux Variable*): [ ● ] (*specify EURIBOR, LIBOR, EONIA, EUR  
CMS or others*) and months [*e.g. EURIBOR 3  
months*])
- (xi) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ● ]  
[If the Rate of Interest is determined by linear  
interpolation in respect of an interest period,  
insert the relevant interest period(s) and the  
relevant two rates used for such determination]
- Designated Maturity: [ ● ]
- Reset Date: [ ● ]
- (xii) Screen Rate Determination: [Applicable/Not Applicable]  
Benchmark: [ ● ](*specify EURIBOR, LIBOR, EONIA, EUR  
CMS or others*) and months [*e.g. EURIBOR 3  
months*])
- [If the Rate of Interest is determined by linear  
interpolation in respect of an interest period (as  
per Condition (c)(iii)(A), insert the relevant  
interest period(s) and the relevant two rates  
used for such determination]

Relevant Time:	[ ● ]
Interest Determination Date(s):	[ ● ]
Primary Source:	[Specify relevant screen page or "Reference Banks"]
Reference Banks (if Primary Source is "Reference Banks"):	[Specify four]
Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark - specify if not Paris]
Representative Amount:	[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
Effective Date:	[Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
Specified Duration:	[Specify period for quotation if not duration of Interest Accrual Period]
(xiii) Margin(s):	[+/-] [ ● ] per cent. <i>per annum</i>
(xiv) Minimum Rate of Interest:	[Not Applicable/[ ● ] per cent. <i>per annum</i> ]
(xv) Maximum Rate of Interest:	[Not Applicable/[ ● ] per cent. <i>per annum</i> ]
(xvi) Determination Date(s):	[[ ● ] in each year]/[Not applicable]
(xviii) Day Count Fraction:	[ ● ] [Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act-ISDA / Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Act/Act-ICMA / Actual/365 (Fixed) / Act/365 (Fixed) / A/365 (Fixed) / A/365 F / Actual/360 / Act/360 / A/360 / 30/360 / 360/360 / Bond Basis / 30/360-FBF / Actual 30A/360 (American Bond Basis) / 30E/360/ Eurobond Basis / 30E/360-FBF / 30E/360-ISDA]

## PROVISIONS RELATING TO REDEMPTION

<b>20. Call Option (Condition 6 (c)):</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[ ● ]
(ii) Optional Redemption Amount(s) of each Note:	[[ ● ] per Note of [ ● ] Specified Denomination]
(iii) If redeemable in part:	
(a) Minimum Redemption Amount:	[[●] per [[●] in] Specified Denomination / Not Applicable]
(b) Maximum Redemption Amount:	[[●] per [[●] in] Specified Denomination / Not Applicable]
(iv) Option Exercise Date(s):	[ ● ]
(v) Notice period <sup>7</sup> :	[ ● ]
<b>21. Put Option(Condition 6 (d)):</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[ ● ]

<sup>7</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent (Condition 6 (c)).

- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] Specified Denomination
- (iii) Option Exercise Date(s): [●]
- (iv) Notice period<sup>7</sup>: [●]
- 22. Final Redemption Amount of each Note (Condition 6 (a)):** [●] per Note of [●] Specified Denomination/ Specified Denomination  
*(Note that the Final Redemption Amount shall be the Specified Denomination or any higher amount)*
- 23. Early Redemption Amount (Condition 6 (e)):**  
Early Redemption Amount(s) of each Note payable on early redemption: [●] per Note of [●] Specified Denomination
- 24. Redemption by Instalment:** [Applicable / Not Applicable]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Instalment Date(s): [●]
- (ii) Instalment Amount(s) in respect of each Note: [●]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25. Form of Notes (Condition 1 (a)):** [Dematerialised Notes/ Materialised Notes]  
*(Materialised Notes are only in bearer form)*  
[Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer form (*au porteur*)/ administered registered form (*au nominatif administré*)/ fully registered form (*au nominatif pur*)]
- (ii) Registration Agent: [Not Applicable/if applicable give name and address] *(Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the "**Exchange Date**"), being forty (40) calendar days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- 26. Identification of Noteholders (Condition 1 (a)):** [Not Applicable]/[Applicable]
- 27. Financial Centre(s) (Condition 7(g)):** [Not Applicable/[●]]. *Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which subparagraphs 16(v) relate*

<sup>7</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent (Condition 6 (d)).



- Adjusted Payment Date (Condition 7(g)):** [Not Applicable / The next following business day unless it would thereby fall into the next calendar month, in which such event such date shall be brought forward to the immediately preceding business day.] / [The immediately preceding business day]/[Other\*]
- 28. Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature) (Condition 7(b)):** [Yes/No/Not Applicable] (*Only applicable to Materialised Notes*)
- 29. Redenomination, renominatisation and reconventioning provisions (Condition 1 (d)):** [Not Applicable/The provisions in Condition 1(d) apply]
- 30. Consolidation provisions (Condition 12(b)):** [Not Applicable/The provisions in Condition 12(b) apply]
- 31. Masse (Condition 10):** [Name and address of the Representative: [●]  
Name and address of the alternate Representative: [●]]
- [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]
- [If the Notes are held by a sole Noteholder, insert the wording below:*
- As long as the Notes are held by a sole Noteholder, it shall exercise all rights and obligations assigned by law to the Representative and the general meeting of the Noteholders. A Representative will be appointed as soon as the Notes are held by several Noteholders.]

### THIRD PARTY INFORMATION

[(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]<sup>33</sup>

Signed on behalf of AXA Bank Europe SCF:

By: .....

Duly authorised

\* In the market practice, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 7(f)).

<sup>33</sup> Include if third party information is provided.

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Official List of the Luxembourg Stock Exchange/ other (*specify other relevant Regulated Market*)/ None]
- (ii) Admission to trading: [Application [has been / is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange / [●]] (*specify other relevant Regulated Market*) with effect from [●]] / Not Applicable]
- (Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)
- (ii) Estimate of total expenses related to admission to trading: [[●] / Not Applicable]

### 2. RATINGS

- Ratings: [Not Applicable / The Notes to be issued have been rated/are expected to be rated: [Moody's Investors Service Ltd: [●]]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)
- [The above rating agency is established in the European Union, registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council dated 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published on the European Securities and Markets Authority's website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>). / Not Applicable]
- [[●] (*Include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider*)]

### 3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES<sup>34</sup>

- (i) Reasons for the offer: [Applicable / Not Applicable]
- (if not applicable, delete the remaining subparagraphs of this paragraph)
- The net proceeds of the issue of the Notes will be used for financing the assets of the Issuer in accordance with the provisions of Article L.513-2 of the French Monetary and Financial Code (*Code monétaire et financier*)./[Other (*to be specified*)].
- (ii) Estimated net proceeds: [●]
- (If proceeds are intended for more than one use

<sup>34</sup>

Only applicable with respect to Notes with a specified denomination of less than €100,000.

*will need to split out and present in order of priority. If proceeds are insufficient to fund all proposed uses, state amount and sources of other funding.)*

(ii) Estimated total expenses: [●]

#### 4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) shall deliver to the Issuer (i) for each quarter a certificate relating to the borrowing programme for the relevant quarter and, (ii) in case of issue of Notes equals or exceeds Euro 500,000,000 or its equivalent in any other currency, a certificate relating to such an issue.

*[[Insert name of specific controller], as specific controller (*contrôleur spécifique*) of the Issuer, has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *Privilège* defined in Article L. 513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), after settlement of this issue.]*

#### 5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

*Include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

*[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]*

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

#### 6. [Fixed Rate Notes only – YIELD

[Applicable / Not Applicable]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*

Indication of yield: [●]

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

#### 7. Floating Rate Notes only - PAST AND FUTURE PERFORMANCE OF INTEREST RATE AND BENCHMARKS

[Applicable/ Not Applicable] *(if not applicable, delete the remaining subparagraph of this paragraph)*

Details on the past and future performance and volatility of [EURIBOR/LIBOR/EONIA/EUR CMS/(*other*)] rates can be obtained from [Reuters/*other*].

Amounts payable under the Floating Rate Notes will be calculated by reference to [EURIBOR/LIBOR/EONIA/EUR CMS/(*other*)] which is provided by [the European Money Markets Institute/ICE Benchmark Administration/[●]]. As at [●], [the European Money Markets Institute/ICE Benchmark Administration/[●]/[the Banque de France]] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**"). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that [the European Money Markets Institute/ICE Benchmark Administration/[●]] is not currently required to obtain authorisation or registration.]

## 8. OPERATIONAL INFORMATION

- ISIN Code: [●]
- Common Code: [●]
- Depositaries:
- (i) Euroclear France to act as Central Depository [Yes/No]
- (ii) Common Depository for Euroclear Bank SA/NV and Clearstream Banking S.A. ; [Yes/No]
- Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]
- Delivery: Delivery [against/free of] payment
- Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/give name]
- Name and address of Calculation Agent (if any): [Not Applicable / [●]]

## 9. DISTRIBUTION [AND UNDERWRITING<sup>35</sup>]

- Method of distribution: [Syndicated / Non-syndicated]
- (i) If syndicated, [Not Applicable / [●]]
- (a) Names and addresses of the coordinator(s) of the global offer: [Not Applicable / specify names and addresses<sup>36</sup>]
- (b) Names[, addresses and quotas] of the Managers: [●] / (give names[, addresses and quotas of the entities agreeing to underwrite the issue and of the entities agreeing to place the issue without a firm commitment or under 'best efforts' arrangements, and where not all of the issue is underwritten on a firm commitment basis, specify the portion not covered<sup>37</sup>)
- (c) Names and addresses of the coordinator(s) of the global offer: [Not Applicable / give the date<sup>38</sup>]
- (ii) Stabilising Manager(s) (if any): [Not Applicable / [●]]
- (iii) If non-syndicated, name and address of Dealer: [Not Applicable / [●]]
- (iv) Total commission and concession: [[●] of the Aggregate Nominal Amount of the Tranche<sup>39</sup> / Not Applicable]
- (v) U.S. selling restrictions<sup>40</sup>: [TEFRA C / TEFRA D / TEFRA Not Applicable]

<sup>35</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>36</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>37</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>38</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>39</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

<sup>40</sup> The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

*(TEFRA rules are not applicable to Notes in dematerialised form)*

(vi) Prohibition of Sales to EEA Retail Investors: [Not applicable/Applicable]

*(If the Notes constitute "packaged" products and no KID has been prepared, "Applicable" should be specified. For the purpose of the above, a "packaged" product shall designate a "packaged retail investment product" which means in accordance with Regulation (EU) No 1286/2014 of 26 November 2014 an investment, where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets which are not directly purchased by the retail investor)*

**[Insert Issue Specific Summary<sup>41</sup>]**

---

<sup>41</sup> Only applicable with respect to Notes with a specified denomination of less than €100,000.

## TAXATION

*The following is an overview limited to certain tax considerations in France and in Luxembourg relating to the payments made in respect of the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This section is based on the laws in force in France and in the Grand Duchy of Luxembourg as of the date of this Base Prospectus and as applied by the tax authorities, all which are subject to changes or different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. It is included herein solely for information purposes and is not intended to be, nor should it be construed to be, legal or tax advice. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes in light of its particular circumstances.*

### 1. France

*The following is an overview addressing certain withholding tax considerations in France relating to the holding of the Notes. This overview is based on the tax laws and regulations of France, as currently in force and applied by the French tax authorities, all of which are subject to change or to different interpretation with possible retroactive effect. This overview is for general information and does not purport to address all French tax considerations that may be relevant to specific Noteholders in light of their particular situation. Potential investors considering the purchase of Notes should consult their own tax advisers as to French tax considerations relating to the purchase, ownership and disposition of Notes in light of their particular situation.*

#### 1.1 French withholding tax

*The following is an overview of certain tax considerations that may be relevant to Noteholders who do not concurrently hold shares of the Issuer.*

Payments of interest and other revenues made by the Issuer with respect to Notes will not be subject to the withholding tax provided by Article 125 A III of the French General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (*Code général des impôts*) (a "**Non-Cooperative State**"). If such payments under the Notes are made outside France in a Non-Cooperative State, a 75% withholding tax will be applicable (regardless of the tax residence of the Noteholders and subject to exceptions, certain of which are set forth below and to the provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code (*Code général des impôts*). The list of Non-Cooperative States is published by a ministerial executive order and is updated on an annual basis.

Furthermore, according to Article 238 A of the French French General Tax Code (*Code général des impôts*), interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on a bank account opened in such a Non Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French General Tax Code (*Code général des impôts*), in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French General Tax Code (*Code général des impôts*), at a rate of (i) 12.8% for payments benefiting individuals who are not French tax residents, (ii) 30% (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French General Tax Code (*Code général des impôts*) for fiscal years starting from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) 75% for payments made outside France in a Non-Cooperative State (subject to certain exceptions and the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French General Tax Code (*Code général des impôts*) nor the Deductibility Exclusion and the withholding tax set out under Article 119 bis 2 of the French General Tax Code (*Code général des impôts*) that may be levied as a result of the Deductibility Exclusion will apply in respect of the Notes if the Issuer can prove that (i) the main purpose and effect of the issue of the Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**") and (ii) in respect of the Deductibility Exclusion, the relevant interest and other assimilated revenues relate to genuine transactions and are not an abnormal or exaggerated amount. Pursuant to official guidelines issued by the French tax authorities (*Bulletin Officiel des*

*Finances Publiques-Impôts*), BOI-INT-DG-20-50-20140211, Section No. 990, BOI-RPPM-RCM-30-10-20-40-20140211, Section No. 70 and BOI-IR-DOMIC-10-20-20-60-20150320 No. 10, an issue of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of the Notes if the Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) or pursuant to an equivalent offer in a State or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a Regulated Market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code (*Code monétaire et financier*), or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

## **1.2 Payments made to French resident individuals**

Pursuant to Articles 125 A and 125 D of the French General Tax Code (*Code général des impôts*), subject to certain exceptions, interest and assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 % withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at an aggregate rate of 17.2% on interest and assimilated income paid by the Issuer under the Notes, to individuals who are fiscally domiciled in (*domiciliés fiscalement*) France.

## **2. Luxembourg Withholding Tax**

*Luxembourg Withholding tax for individuals*

### *Luxembourg residents*

A 20 per cent. withholding tax has been introduced, as from 1 January 2006, on interest payments made by a paying agent established in Luxembourg (defined in the law dated 23 December 2005, as amended) to or for the immediate benefit of an individual beneficial owner who is a resident of Luxembourg.

Responsibility for the withholding of such tax will be assumed by the Luxembourg paying agent.

### *Luxembourg non-residents*

Under the Luxembourg applicable laws, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to Luxembourg non-resident Noteholders.

*Luxembourg Withholding tax for corporations*

There is no withholding tax for Luxembourg resident and non-resident corporations Noteholders on payments of interest (including accrued but unpaid interest).

## **3. Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions, including France, have

entered into intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019, and the Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date.

However, if additional notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

**Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**



## SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in the amended and restated dealer agreement dated 18 December 2018 between the Issuer, the Arranger and the Permanent Dealers (the "**Dealer Agreement**"), the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. References in this Base Prospectus to "**Permanent Dealers**" are to the person referred to above as Permanent Dealer and to such additional persons that may be appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer.

The Issuer will pay each relevant Dealer a commission (if any) as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for their expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### **Selling Restrictions**

#### **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

Each Dealer and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply, to the best of its knowledge, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and that it will obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale. None of the Issuer or any other Dealer shall have responsibility therefore.

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Materialised Notes may only be issued outside France.

#### **United States of America**

The Notes have not been and will not be registered under the Securities Act or securities laws of any State or jurisdiction of the United States and may not be offered or sold, directly or indirectly within the United States or to, or for the account or benefit of U.S. persons as defined under Regulation S, except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States to non U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

Materialised Notes having a maturity of more than one (1) year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered the Notes of any identifiable Tranche, (i) as part of their distribution at any time, or (ii) otherwise until forty (40) days after the completion of the distribution of such Tranche as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person receiving a

selling concession, fee or other remuneration to which it sells Notes during this period, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until forty (40) calendar days after the commencement of the offering of any identifiable Tranche, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealer(s) reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

### **European Economic Area**

If the Final Terms in respect of any Notes specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each of the Dealers and the Issuer has represented and agreed, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in a Member State of the European Economic Area ("**EEA**") except that it may make an offer of such Notes to the public in that Member State of the EEA:

- (a) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) **Fewer than 150 offerees:** at any time to fewer than one hundred and fifty (150) natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) **Other exempt offers:** at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

For the purposes of this provision, the expressions (i) "**offer of Notes to the public**" in relation to any Notes in any Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State of the EEA by any measure implementing the Prospectus Directive in that Member State of the EEA and (ii) "**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended.

This EEA selling restriction is in addition to any other selling restrictions set out above or below.

### **Prohibition of Sales to EEA Retail Investors**

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

- (ii) a customer within the meaning of IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined the Prospectus Directive; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

## **Belgium**

Each of the Dealers and the Issuer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

- (a) it has not made or will not make a public offer in Belgium other than in compliance with the criteria listed in Article 3 of the Belgian law of 16 June 2006 on the public offers of investment instruments and the admission of investment instruments to trading on a Regulated Market as amended from time to time (the "**Law on Public Offers of 2006**"), as construed in accordance with the communication of the Financial Services and Markets Authority ("**FSMA**") of 21 June 2012. According to the Law on Public Offers of 2006, some types of offers are not considered public offers, including if, (i) the Notes of a particular series have a nominal value of EUR 100,000 or more, or (ii) the offer is reserved for certain qualified investors or other eligible parties within the meaning of the Prospectus Directive, Article 10, §1 and 2 of the Law on Public Offering of 2006 and the Royal Decree of 26 September 2006 relating to the register of eligible investors and adopting the notion of eligible investors;
- (b) it will only sell the Notes to one or more consumer(s) within the meaning of Article I.1.2° of the Belgian Economic Code, if, on doing so, it complies with the provisions of this Code and its implementing decrees.

## **France**

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise transferred and will not offer, sell or otherwise transfer, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales, transfers and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) investing for their own account, and/or (iii) a restricted circle of investors (*cercle restreint d'investisseurs*) investing for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French Monetary and Financial Code (*Code monétaire et financier*).

This Base Prospectus prepared in connection with the Notes has not been submitted to the clearance procedures of the *Autorité des marchés financiers*.

## **Switzerland**

This document is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## United Kingdom

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year from the date of their issue, (i) it is a person whose ordinary activities involve in it acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to the persons whose ordinary activities involve in it acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or whose it is reasonable to expect they will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of Note would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 as amended (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the "FIEA") and each of the Dealers has agreed that it will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## GENERAL INFORMATION

- (1) This Base Prospectus has been approved by the *Commission de surveillance du secteur financier*, as competent authority in Luxembourg for the purposes of the Prospectus Directive. In accordance with Article 7 (7) of the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 as amended, the *Commission de surveillance du secteur financier* does not assume any responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. This Base Prospectus has not been submitted to the clearance procedures of the *Autorité des marchés financiers*.

Application will be made to the Luxembourg Stock Exchange for 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.

Application may also be made to the competent authority of any other member state of the EEA for Notes to be admitted to trading on any other Regulated Market or any other stock exchange in a member state of the EEA.

- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the establishment and the update of the Programme. Any issuance of Notes under the Programme, to the extent that such Notes constitute *obligations* under French law, requires the prior authorisation of the Board of Directors (*Conseil d'administration*) of the Issuer, which may delegate its power to any person of its choice.
- (3) There has been no significant change in the financial or trading position of the Issuer since 30 June 2018.
- (4) There has been no material adverse change in the prospects of the Issuer since its most recent annual audited financial statements dated 31 December 2017.
- (5) The Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
- (6) Save as disclosed in the section "Relationship between AXA Bank Europe SCF and AXA Group Entities" on pages 125 to 150 of this Base Prospectus, there are no material contracts that are not entered into the ordinary course of the Issuer's business which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.
- (7) Application may be made for Notes to be accepted for clearance through Euroclear France (66 Rue de la Victoire, 75009 Paris, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgium) and Clearstream (42, avenue JF Kennedy, L-1855 Luxembourg, Luxembourg). The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (8) Pursuant to Article R.513-16 IV of the French Monetary and Financial Code (*Code monétaire et financier*), the specific controller certifies that the rule providing that the amount of eligible assets of the Issuer is greater than the amount of liabilities benefiting from the *Privilège* is satisfied on the basis of a quarterly borrowing programme and for any issue of Notes in a principal amount equal to or above Euro 500 million or its equivalent in the currency of issue. The specific controller also certifies that the conditions provided for under Article L.513-26 of the French Monetary and Financial Code (*Code monétaire et financier*) are met, as the case may be.
- (9) Mazars at 61 rue Henri Régnault, 92400 Courbevoie and PricewaterhouseCoopers Audit at 63, rue de Villiers, 92200 Neuilly-sur-Seine are registered with the *Compagnie Nationale des Commissaires aux Comptes* (official statutory auditors' representative body) and subject to the authority of the *Haut Conseil du Commissariat aux Comptes* (French High Council of Statutory Auditors). Mazars and PricewaterhouseCoopers Audit have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the years ended 31 December 2016 and 31 December 2017. Mazars and PricewaterhouseCoopers Audit have performed on a limited review (*examen limité*) and rendered an unqualified review report on the non-consolidated financial statements of the Issuer for

the six (6) months periods ended 30 June 2018. The Issuer does not produce consolidated financial statements.

- (10) This Base Prospectus, any supplement thereto that may be published from time to time and, so long as Notes are admitted to trading on any Regulated Market in accordance with the Prospectus Directive, the Final Terms relating to such Notes will be published on the websites of (i) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (ii) the Issuer (<http://www.axabank.eu/eng/financialinformation-overview/coveredbonds>). The Final Terms related to Notes admitted to trading on any Regulated Market of the EEA in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (i) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (ii) the Issuer (<https://www.axabank.be/fr/a-propos-axa-banque/investor-relations-and-financial-information/covered-bonds>).

In addition, should the Notes be admitted to trading on a Regulated Market other than the Regulated Market of the Luxembourg Stock Exchange, in accordance with the Prospectus Directive, the Final Terms related to those Notes will provide whether this Base Prospectus and the relevant Final Terms will be published on the website of (x) the Regulated Market where the Notes have been admitted to trading or (y) the competent authority of the Member State of the EEA where the Notes have been admitted to trading.

- (11) So long as Notes are capable of being issued under the Programme, hard copies of the following documents are or will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):

- (i) the *statuts* of the Issuer;
- (ii) the most recently published audited non-consolidated financial statements and interim financial statements of the Issuer;
- (iii) the Final Terms for Notes that are listed on the Official List of the Luxembourg Stock Exchange and traded on the Regulated Market of the Luxembourg Stock Exchange or any other Regulated Market in the EEA;
- (iv) the Agency Agreement (which includes the form of the *Lettre Comptable*, of the Temporary Global Certificates, of the Definitive Materialised Notes, of the Coupons, of the Receipts and of the Talons);
- (v) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
- (vi) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus, including the certificate of the Specific Controller in respect of (i) each quarter relating to the borrowing programme for the relevant quarter and (ii) each issue of Notes in a principal amount equal to or above Euro 500,000,000 or its equivalent in the currency of the relevant issue.

- (12) The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

- (13) In relation to any Tranche of Fixed Rate Notes, the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date (as defined in the Final Terms) of the Notes and will not be an indication of future yield.

- (14) The Legal Entity Identifier ("**LEI**") of the Issuer is CVRWQDHDBEPUUVU2FD09.

- (15) Benchmark Regulation – Amounts payable on Floating Rate Notes may be calculated by reference to EURIBOR which is provided by the European Money Markets Institute ("**EMMI**"), EONIA which is provided by European Banking Federation ("**EBF**"), LIBOR and EUR CMS which are provided by ICE Benchmark Administration Limited ("**ICE**"). As at the date of this Base Prospectus, the EMMI and

EBF do not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) no. 2016/1011 of the European Parliament and of the Council dated 8 June 2016 (the "**Benchmark Regulation**") and ICE appears on such register. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that EMMI and EBF are not currently required to obtain authorisation or registration.

## GLOSSARY OF DEFINED TERMS

Words and expressions defined in elsewhere in this Base Prospectus will have the same meanings when used below. Some of the terms below may be otherwise defined in other sections of the Base Prospectus. In case of inconsistency or contradiction, the terms of the definitions which appear in other sections of the Base Prospectus shall prevail. In addition, the below glossary which shall form part of the Base Prospectus does not constitute an exhaustive list of all the definitions used in other sections of the Base Prospectus and shall be read and construed in conjunction with such other sections.

"**Accounting Records**" means, in respect of any Loan, all books, books of account, registers, records, databases and other information (including, without limitation, computer programmes, tapes, discs, software and related property rights) maintained (and recreated in the event of destruction of the originals thereof) with respect to such Loan and the related Debtor.

"**Additional Security**" means, with regard to any Loan, all claims, whether contractual or in tort, against any Insurance Company, notary public, mortgage registrar, public administration, property expert, broker or any other person in connection with such Loans or the related Mortgaged Property or Loan Security or in connection with AXA Bank Belgium's decision to grant such Loans and in general, any other security or guarantee other than the Loan Security created or existing in favour of AXA Bank Belgium as security for a Loan.

"**Administrator**" means AXA Bank Belgium in its capacity as administrator of the Issuer pursuant to the terms of the Administrative Agreement.

"**Advance**" means advance made available by the Lender to the Borrower in accordance with the Facility Agreement for the purpose of financing the general financial needs of the Borrower.

"**Aggregate Collateral Security Amount**" means, on any Asset Cover Test Date the sum of the Collateral Security Asset Net Values.

"**All Sums Mortgage**" means an all sums mortgage (*alle sommen hypotheek/hypothèque pour toutes sommes*) that secures the relevant Loan and all other amounts that a particular Debtor owes or in the future may owe to the Pledgor pursuant to Article 81 *quinquies* of the Belgian Mortgage Act.

"**Asset Contractual Documentation**" means, in relation to any and all Loans and Loan Security, all originals or executive or true copies (*copies exécutoires*) of any contract, instrument or other document (such as riders, waivers and amendments) providing for the terms and conditions of, and/or evidencing title and benefit to, such Loans and any right, privilege, guarantee or security interest (*droit accessoire, privilège, garantie ou sûreté*) ancillary or as the case may be attached thereto.

"**Asset Cover Test**" means a test carried out by the Facility Calculation Agent on each Asset Cover Test Date to ensure that the amount of Collateral Security required pursuant to the Collateral Security Agreements is in place.

"**Asset Cover Test Date**" means, in respect of the Collateral Security Agreements, the 7<sup>th</sup> Business Day of each calendar month and each issuance date of a Series or a Tranche of Notes; by way of exception to the foregoing, the first Asset Cover Ratio Test Date shall be the 7<sup>th</sup> Business Day of the calendar month occurring after an initial Advance is made pursuant to, and subject, the terms and conditions of the Facility Agreement;

"**Belgian Financial Collateral Act**" means the Belgian Act of 15 December 2004 on Financial Collateral.

"**Belgian Collateral Security Agreement**" means the collateral security agreement governed by Belgian law entered into on 27 November 2017, AXA Bank Europe SCF, in its capacity as Secured Party, and AXA Bank Belgium, in its capacity as Administrator, Facility Calculation Agent and Pledgor, as the same may be amended, varied or supplemented from time to time.

"**Belgian Mortgage Act**" means the Act of 16 December 1851 on mortgages (*Hypotheekwet/Loi hypothécaire*), as amended from time to time.

"**Book Value**" means the book value of the Loans outstanding.

"**Borrower**" means AXA Bank Belgium, in its capacity as borrower pursuant to the terms of the Facility Agreement.



**"Breach of Asset Cover Test"** means, in respect of the Collateral Security Agreements, the failure by the Borrower to cure a Non Compliance with Asset Cover Test which has occurred on any Asset Cover Test Date prior to the next following Asset Cover Test Date.

**"CLTCV"** means the ratio of current loan to current value, which is calculated as:

- (a) the current balance of the Loans of a Debtor, for the purpose of this calculation increased by the current balance of other loans as existed before the relevant Collateral Effective Date or Purchase Date (as applicable), as relevant, divided by:
- (b) the Current Property Values indexed to the relevant Collateral Effective Date or Purchase Date (as applicable), as relevant, less any mortgage inscription amounts held by a third party that rank higher in priority to the mortgage inscriptions granted to AXA Bank Belgium.

**"CLTM"** means current loan to mortgage inscription, which is calculated as:

- (a) the current balance of the Loans of a Debtor, for the purpose of this calculation increased by the current balance of other loans as existed before the relevant Collateral Effective Date or Purchase Date (as applicable), divided by:
- (b) the sum of the first and any subsequent ranking mortgage inscriptions granted to AXA Bank Belgium (for avoidance of doubt, mortgage mandates are excluded).

**"Collateral Directive"** means Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements as amended from time to time.

**"Collateral Effective Date"** means, with respect to each Eligible Collateral Asset to be pledged as Collateral Security under the Collateral Security Agreements, the calendar day upon which such Eligible Collateral Asset shall have been notified by the relevant party as being effectively pledged as Collateral Security subject to, and in accordance with, the relevant terms of the Collateral Security Agreements.

**"Collateral Security"** means, pursuant to the Collateral Security Agreements, the pledge made by the Pledgor, from time to time, of the Eligible Collateral Assets for the benefit of the Secured Party.

**"Collateral Security Agreements"** means the French Collateral Security Agreement and the Belgian Collateral Security Agreement.

**"Collateral Security Asset Net Values"** means the net asset value of the Collateral Security Assets as determined in accordance with the French legal framework applicable to *sociétés de crédit foncier*, and in particular Article R.513-1 of the French Monetary and Financial Code (*Code monétaire et financier*).

**"Collateral Security Assets"** means the Eligible Collateral Assets pledged by the Pledgor in favour of the Secured Party under the Collateral Security Agreements.

**"Collateral Servicing Agreement"** means the collateral servicing agreement entered into on 27 November 2017 between AXA Bank Europe SCF, in its capacity as Secured Party, and AXA Bank Belgium, in its capacity as Servicer, Administrator and Facility Calculation Agent, as the same may be amended, varied or supplemented from time to time.

**"Collection Account"** means any and all bank accounts opened in the name of AXA Bank Belgium to collect interest and principal paid under the Loans.

**"Collection Loss Reserve"** means the collection loss reserve funded by AXA Bank Belgium upon the occurrence of certain trigger events in accordance with, and subject to the terms of, the Cash Advance Agreement.

**"Collection Loss Reserve Required Amount"** means the amount to be funded by AXA Bank Belgium into the Collateral Loss Reserve in the occurrence of a Collection Loss Reserve Trigger Event, such amount being equal to the greater of (i) the collections received by AXA Bank Belgium during the preceding one calendar month preceding the Collection Loss Reserve Trigger Event under both the Loans sold to the Issuer under the Mortgage Loan Sale Agreement and Loans granted as collateral security to the benefit of the Issuer under the Collateral

Security Agreements and (ii) an amount equal to the sum of (A) the aggregate amount of interest payable by the Issuer under any outstanding Series of Notes, (B) any amount payable by the Issuer under any hedging agreement, (C) any other debts benefiting from the *Privilège* (but, for the avoidance of doubt and any double counting, excluding the amount due under the Notes or the hedging agreements) in accordance with Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*) and (D) any fees payable by the Issuer.

**"Collection Loss Reserve Trigger Event"** means the event AXA Bank Belgium's rating is or falls below "Baa3cr" (long-term counterparty risk assessment) by Moody's.

**"Construction Loan"** means any loan originated by AXA Bank Belgium the proceeds of which are intended to construct or renovate residential property located in Belgium and the proceeds of which have been fully released to the Debtor on the relevant Collateral Effective Date or Purchase Date (as applicable).

**"Contract Records"** means:

- (a) the computer and manual records, files, internal data, books and all other information (including information stored in information systems) related to the Loans or the Loan Security, together with the Asset Contractual Documentation and other documents evidencing title of the relevant entity to such assets; and
- (b) the records, files, internal data, computer systems and all other information related to the Collection Accounts and the operation of the same.

**"Contractual Overcollateralisation Percentage"** means the percentage of contractual overcollateralisation to be agreed between the Pledgor and the Secured Party in accordance with the Collateral Security Agreements, being specified that the Pledgor and the Secured Party may agree to increase such percentage pursuant to the Collateral Security Agreements.

**"Current Property Value"** means the property value after indexation based on figures as provided by property expert Stadim CVBA, with its registered office at Uitbreidingstraat 10-16, 2600 Antwerp.

**"Cut-Off Date"** means, in respect of the Purchase Documents, the first calendar day of the month in which a Purchase occurs.

**"Debtor"** means a borrower under any Loan.

**"Default Interest"** means default interest under any Loan.

**"Defaulted Loan"** means a Loan which is either (i) in arrears for more than 180 days or (ii) which has been accelerated and in relation to which foreclosure procedures have commenced.

**"Delinquent Loan"** means a Loan in arrears and for as long as it has not become a Defaulted Loan.

**"Drawdown Request"** means a drawdown request completed by the Borrower in respect of an Advance as set out in the Facility Agreement.

**"DTI"** means the ratio expressing the relation of the monthly debt (mortgage and non-financial debt, consumer loans, etc...) burden to the monthly income, in both cases after taxes.

**"Eligible Collateral Assets"** means, in respect of the Collateral Security Agreements, an asset which meets the requirements of the legal framework applicable to *sociétés de crédit foncier* and complies with all the Eligibility Criteria.

**"Enforcement Notice"** means, in respect of the Facility Agreement, upon the occurrence of an Event of Default, a written notice (such notice to constitute a *mise en demeure*) sent by the Lender (by itself or represented by the Administrator or any representative, agent or expert on its behalf), to the Borrower and the Administrator (with a copy to Moody's Investors Service Ltd), (x) declaring that (i) no further Advances shall be available under the Facility Agreement, and (ii) the then outstanding Advances are immediately due and payable and (y) enforcing the rights of the Lender under the Collateral Security Agreements for the repayment of any sum due by the Borrower under the Facility Agreement and not paid by the Borrower (whether at its contractual due date or upon acceleration).

**"Facility Agreement"** means a French law credit facility agreement entered into on 27 November 2017 between the Lender, the Borrower, the Administrator and the Facility Calculation Agent, as amended from time to time.

**"Facility Calculation Agent"** means AXA Bank Belgium, in its capacity as facility calculation agent pursuant to the terms of the Facility Agreement.

**"Facility Commitment"** means the aggregate maximum amount of € 9,000,000,000 made available by the Issuer to the Borrower.

**"Facility Documents"** means the Facility Agreement, the Collateral Security Agreements, the Collateral Servicing Agreement, the Master Definitions and Construction Agreement and the Administrative Agreement.

**"French Collateral Security Agreement"** means the collateral security agreement governed by French law entered into between AXA Bank Europe SCF, in its capacity as Secured Party, and AXA Bank Belgium, in its capacity as Administrator, Facility Calculation Agent and Pledgor, as entered into on 27 November 2017, and as the same may be amended, varied or supplemented from time to time.

**"Further Loan"** means any loan (*i.e.* a mortgage loan or a consumer loan, as the case may be) originated by AXA Bank Belgium after any Collateral Effective Date or Purchase Date (as applicable) that is covered by the same All Sums Mortgage as a Loan.

**"Hazard Insurance"** or **"Hazard Insurance Policy"** means an insurance policy covering fire and/or kindred perils in respect of the Mortgaged Property.

**"Insolvency Event"** means, with respect to AXA Bank Belgium, the occurrence of any of the following events:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
  - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
  - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or

against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;

- (i) becomes subject of any resolution measure provided for under Book II, Title VIII of the Belgian Act of 25 April 2014 on the status and the supervision of credit institutions;
- (j) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (i) above; or
- (k) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

**"Insurance"** or **"Insurance Polic(y)(ies)"** means any and all Hazard Insurance Polic(y)(ies) or Life Insurance Polic(y)(ies)(s) in so far as it relates to any Loans.

**"Insurance Company"** means any insurance company granting a Hazard Insurance (in respect of a Mortgaged Property) or a Life Insurance (in respect of a Loan).

**"Lender"** means AXA Bank Europe SCF, in its capacity as lender pursuant to the terms of the Facility Agreement.

**"Life Insurance"** or **"Life Insurance Policy"** means an insurance policy which provides for the payment of a fixed amount for repayment of the Outstanding Balance of the relevant Loan upon the death of a Debtor.

**"Loan(s)"** means any loan receivables secured by a mortgage on a property situated in Belgium.

**"Loan Documents"** means in respect of a particular Loan, the completed loan documents and ancillary documents in respect of a Loan which set out the terms and conditions of the Loan, the Loan Security and the Additional Security.

**"Loan Security"** means in respect of any Loan, any Mortgage(s) or mortgage mandate(s) and all rights, title, interest and benefit relating to any payments under Insurance Policies, any guarantee provided for such Loan, any assignment of salaries (*loonsoverdracht/cession délégation de salaire*) that the Debtor may earn and any other type of Security granted in respect of the Loan.

**"Master Definitions and Construction Agreement"** means the master definitions and construction agreement entered on 27 November 2017 between AXA Bank Europe SCF (as Issuer, Lender and Secured Party) and AXA Bank Belgium (as Administrator, Borrower, Pledgor and Facility Calculation Agent), as the same may be amended, varied or supplemented from time to time.

**"Mortgage"** means mortgage (*hypotheek/hypothèque*) as such term is construed under Belgian law.

**"Mortgage Loan Sale Agreement"** or **"MLSA"** means the mortgage loan sale agreement entered on 27 November 2017 between the Purchaser and the Seller, as amended from time to time.

**"Mortgage Promissory Notes Commingling Reserve"** means the mortgage promissory notes commingling reserve funded by AXA Bank Belgium upon the occurrence of certain events and/or trigger events in accordance with, and subject to the terms of, the Cash Advance Agreement.

**"Mortgaged Property"** means a real property located in Belgium over which there is a Mortgage securing a Loan.

**"Mortgage Registration Office"** means the office (*hypotheekkantoor/bureau des hypothèques*) where mortgages are or, are to be, registered in accordance with the Belgian Mortgage Act.

**"Non-Compliance with Asset Cover Test"** means the Asset Cover Test Ratio being less than one (1).

**"Outstanding Balance"** means the balance of a Loan outstanding at a particular time (and in respect of a Defaulted Loan, as of the time such Loan has become defaulted).

**"Permitted Variation"** means a Variation which complies with the following conditions:

- (a) the Variation will not provide for a full or partial release of the Mortgage;
- (b) the Variation will not provide for a reduction of the Outstanding Balance of the Loan otherwise than as a result of an effective payment of principal;
- (c) the Variation will not provide for any non-contractual maturity extensions on Loans;
- (d) the Variation will not provide for any change in the fixed interest rate in respect of a Loan; and
- (e) the Variation will not imply that the Loan would no longer comply with the Eligibility Criteria.

**"Pledge Certificate"** means the pledge certificate delivered by the Pledgor to the Secured Party on the relevant Collateral Effective Date containing a description and identification of the Eligible Collateral Assets that are pledged on such date and certifying, in particular, that such Eligible Collateral Assets to be pledged qualify as Eligible Collateral Assets.

**"Pledgor"** means AXA Bank Belgium, in its capacity as pledgor under the Collateral Security Agreements.

**"Portfolio"** means the whole or part of the aggregate of all Loans that have been purchased by the Issuer pursuant to the MLSA and are at the relevant time still owned by the Purchaser.

**"Pre-Maturity Reserve"** means the pre-maturity reserve funded by AXA Bank Belgium upon the occurrence of certain trigger events in accordance with, and subject to the terms of, the Cash Advance Agreement.

**"Prepayment"** means any voluntary payment of principal on any Loan prior to its scheduled due date in accordance with the provisions for prepayments provided for in the relevant Loan Documents.

**"Prepayment Penalty"** means, in respect of the Collateral Security Agreements, any penalty due in the event of a Prepayment.

**"Programme Documents"** means:

- (a) the Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Dealer Agreement;
- (d) the Facility Documents;
- (e) the Purchase Documents;
- (f) the Cash Advance Agreement;
- (g) the general framework agreement relating to mortgage promissory notes (*Convention Cadre de Mobilisation de Créances (Billet Hypothécaire)*) entered into between AXA Bank Belgium and AXA Bank Europe SCF on 14 November 2014 and, as the case may be, any refinancing receivables agreement (*Convention de Mobilisation de Créances*) entered into between AXA Bank Belgium and AXA Bank Europe SCF, if any;
- (h) the Administrative Agreement;
- (i) the Management and Recovery Agreement;
- (j) as the case may be, any Term Loan Agreement(s), if any; and
- (k) as the case may be, any Hedging Agreement(s), if any;

**"Purchase"** means each sale and purchase of Loans under the MLSA.

**"Purchase Date"** means the date designated in the *Bordereau* governed by Articles L.513-13 and R.513-12 of the French Monetary and Financial Code (*Code monétaire et financier*) substantially in the form contained in the MLSA for each Purchase and transfer of the property on the Loans.

**"Purchase Documents"** means the Mortgage Loan Sale Agreement, the Servicing Agreement, the Purchase Master Definitions and Construction Agreement and the Administrative Agreement.

**"Purchase Master Definitions and Construction Agreement"** means the purchase master definitions and construction agreement entered on 27 November 2017 between AXA Bank Europe SCF (as Purchaser) and AXA Bank Belgium (as Seller, Servicer and Administrator), as the same may be amended, varied or supplemented from time to time.

**"Purchaser"** means AXA Bank Europe SCF, in its capacity as purchaser pursuant to the terms of the MLSA.

**"Secured Liabilities"** means, pursuant to the Collateral Security Agreements, all and any amounts (whether in principal, interest, fees, indemnities or guarantees) owed by the Pledgor under the Programme Documents, whether present or future.

**"Secured Party"** means AXA Bank Europe SCF, pursuant to the terms of the Collateral Security Agreements.

**"Seller"** means AXA Bank Belgium, in its capacity as seller pursuant to the terms of the MLSA.

**"Servicer"** means AXA Bank Belgium in its capacity as servicer pursuant to the terms of the Collateral Servicing Agreement and the Servicing Agreement.

**"Servicer Rating Trigger Event"** means the long-term senior unsecured, unsubordinated and unguaranteed debt obligations of the Servicer is rated below Baa3 by Moody's Investors Service Ltd or is not rated.

**"Servicing Agreement"** means the servicing agreement entered on 27 November 2017 between the Purchaser, the Servicer, the Administrator and the Seller, as amended from time to time.

**"Stop Payment Event"** means, in respect of the Cash Advance Agreement, the event where one or both of the following events occur and it has not been remedied on or before the twentieth (20th) calendar day immediately following the date on which such event occurred:

- (a) AXA Bank Belgium fails to make a cash advance in accordance with the Cash Advance Agreement; and/or
- (b) any of the Pre-Maturity Reserve, the Mortgage Promissory Notes Commingling Reserve or the Collection Loss Reserve is not funded up to the relevant required amount for each such reserve as set out in the Cash Advance Agreement,

provided that if an Insolvency Event occurs in respect of AXA Bank Belgium, such grace period shall not apply.

**"Transaction Account"** means, in respect of the Purchase Documents, a bank account held by the Purchaser on which the collections are credited from the Collection Account.

**"Variation"** means any variation, amendment or waiver of the terms or conditions of, or in relation to, a Loan or any rights in relation thereto.

## INDEX OF DEFINED TERMS

2011 Terms and Conditions .....	81	Breach of Asset Cover Test .....	136, 181
2014 Terms and Conditions .....	81	Broken Amount.....	93
2016 Annual Report .....	81	BRRD .....	44
2016 Terms and Conditions .....	81	Business Centre(s) .....	88
2017 Annual Report .....	81	Business Day.....	88, 158
2018 Half-Year Financial Report .....	81	C Rules .....	74
30/360 .....	89	Calculation Agent .....	84, 95
30/360-FBF .....	90	Calculation Period.....	89
30E/360 .....	90	Cash Advance Agreement.....	57
30E/360-FBF.....	90	Clearstream .....	1, 85, 111
30E/360-ISDA.....	91	CLTCV .....	132, 181
360/360 .....	89	CLTM .....	133, 181
A/360.....	89	Code.....	74, 105, 111
A/365 (Fixed).....	89	Collateral Directive .....	53, 181
A/365 F .....	89	Collateral Effective Date.....	134, 181
Account Holder .....	85	Collateral Security .....	11, 131, 181
Accounting Records .....	147, 180	Collateral Security Agreements .....	181
Act/360.....	89	Collateral Security Asset Net Values .....	136, 181
Act/365 (Fixed).....	89	Collateral Security Assets .....	131, 181
Act/Act.....	89	Collateral Servicing Agreement.....	11, 135, 139, 181
Act/Act-ICMA .....	89	Collection Account .....	139, 182
Act/Act-ISDA .....	89	Collection Loss Reserve.....	58, 182
Actual 30A/360 (American Bond Basis).....	90	Collection Loss Reserve Required Amount ....	58, 79, 182
Actual/360.....	89	Collection Loss Reserve Trigger Event .....	58, 79, 182
Actual/365 (Fixed) .....	89	Collective Decisions .....	63, 106
Actual/365-FBF.....	89	Common Depository .....	111
Actual/Actual .....	89	<i>Conditions</i> .....	84, 156
Actual/Actual-FBF.....	89	Conditions Définitives .....	24
Actual/Actual-ICMA.....	89	Construction Loan.....	134, 182
Actual/Actual-ISDA.....	89	Contract Records.....	139, 182
Additional Security .....	133, 180	Contractual Overcollateralisation Percentage ....	136, 182
Adjusted Payment Date .....	105	Contrat de Crédit.....	27
Administrative Services Agreement.....	79, 125	Convention de Cession des Prêts .....	27
Administrator .....	125, 127, 180	Convention de Gestion.....	27
Administrator/Benchmark Event.....	97	Convention de Gestion des Sûretés .....	27
Advance .....	11, 127, 180	Convention de Sûreté Belge.....	27
Agency Agreement.....	84	Convention de Sûreté Française.....	27
Agent.....	94	Couponholders .....	84
Aggregate Collateral Security Amount .....	136, 180	Coupons.....	84
All Sums Mortgage .....	48, 180	CRA Regulation.....	1, 13, 67, 166
Assembly.....	64	CRBF .....	45
Asset Contractual Documentation .....	139, 180	CRD IV package.....	67
Asset Cover Ratio .....	135	Current Property Value .....	134, 182
Asset Cover Test .....	135, 180	Cut-Off Date .....	143, 182
Asset Cover Test Date.....	136, 180	D Rules .....	74
Asset Report.....	140, 150	Date d'Echéance Finale .....	31
Asset Report Date .....	150	Date d'Echéance Finale Prolongée .....	31
Avance .....	27	Day Count Fraction.....	88
Bail-in Tool.....	44	Dealer Agreement .....	173
Bank .....	106	Dealers .....	69, 173
Banking Law .....	44	Debtor .....	134, 182
Base Prospectus.....	1, 8, 156	December 2017 Terms and Conditions.....	81
Belgian Collateral Security Agreement.....	11, 130, 180	Default Interest .....	134, 182
Belgian Economic Code.....	52	Defaulted Loan .....	134, 182
Belgian Financial Collateral Act .....	53, 180	Definitive Materialised Notes .....	1, 85, 111
Belgian Insurance Act .....	50	Delinquent Loan .....	134, 182
Belgian Mobilisation Act .....	48	Dematerialised Notes .....	1, 73, 84
Belgian Mortgage Act .....	48, 181	Designated Maturity.....	95
Belgian Salary Protection Act .....	49	Determination Date .....	89
Benchmark .....	88, 97, 98	Determination Period .....	89
Benchmark Modification or Cessation Event.....	97	distributor.....	5, 154
Benchmark Regulation.....	61, 168, 179	Documents d'Achat .....	27
Board.....	123	Documents de Prêt .....	27
Bond Basis .....	89	Drawdown Request.....	127, 182
Book Value .....	143, 181	DTI.....	134, 183
Borrower .....	127, 181	EBF.....	178

EC .....	86	Interest Accrual Period .....	91
EEA .....	1, 8, 84, 114, 154, 174	Interest Amount .....	91
EEE .....	24	Interest Commencement Date .....	91
Effective Date.....	91	Interest Determination Date.....	91
Electronic Consent.....	108	Interest Payment Date.....	92
Eligibility Criteria .....	131	Interest Period.....	92
Eligible Collateral Assets .....	131, 183	Interest Period Date.....	92
Émetteur .....	24	Inverse Floating Rate Notes.....	15, 85
EMMI.....	178	Investor's Currency .....	66
EMU.....	86	ISDA Definitions .....	92
Enforcement Notice.....	130, 183	ISDA Rate.....	94
EONIA .....	88	Issuer.....	1, 8, 84
État Membre.....	24	Law on Public Offers of 2006.....	175
EU .....	114	LEI.....	178
EUR CMS .....	88	Lender .....	127, 184
EURIBOR .....	88	LIBOR .....	88
Euro Zone.....	91	Life Insurance .....	134, 184
Eurobond Basis .....	90	Life Insurance Policy.....	134, 184
Euroclear .....	1, 85, 111	Loan Documents.....	147, 184
Event of Default.....	128	Loan Security.....	134, 184
Exception .....	170	Loan(s).....	134, 184
Exchange Date .....	111, 163	Management and Recovery Agreement .....	79, 125
Exemption .....	115	March 2017 Terms and Conditions.....	81
Exercise Notice .....	101	Marché Réglementé .....	29
Extended Maturity Date .....	15, 70, 100	Margin .....	92
Extendible Notes.....	15, 70, 100	Masse .....	15, 31, 106
Facility Agreement.....	11, 127, 183	Master Definitions and Construction Agreement.....	184
Facility Calculation Agent.....	127, 183	Materialised Notes .....	1, 73, 84
Facility Commitment.....	127, 183	Maturity Date.....	70
Facility Documents .....	11, 127, 183	Member State.....	8
FATCA .....	13, 65, 102	MiFID II.....	5, 154
FBF Definitions.....	91	MiFID Product Governance Rules.....	5
FBF Master Agreement.....	91	MLSA .....	11, 27, 142, 185
FBF Rate .....	94	Mobilisation Institution.....	48
FCA Announcement.....	62	Modified Following Business Day Convention .....	94
FIEA.....	176	Montant de Remboursement Final .....	31
Final Maturity Date .....	15	Moody's .....	1, 13, 29, 73
Final Redemption Amount.....	15, 100	Mortgage.....	134, 185
Final Terms .....	1, 8, 70, 84, 156	Mortgage Loan Sale Agreement .....	11, 142, 185
Final Terms of Advance.....	127	Mortgage Mandate.....	47
Financial Centre(s).....	105	Mortgage Promissory Notes Commingling Reserve ....	58, 78, 185
Fiscal Agent .....	84	Mortgage Promissory Notes Commingling Reserve	
Fixed Coupon Amount.....	93	Required Amount.....	58, 78
Fixed Rate Notes.....	15, 85	Mortgage Promissory Notes Commingling Reserve	
Fixed/Floating Rate Notes.....	15, 85	Trigger Event .....	58, 78
Floating Rate .....	94, 95	Mortgage Registration Office .....	135, 185
Floating Rate Business Day Convention .....	94	Mortgaged Property .....	135, 185
Floating Rate Determination Date.....	94	Non-Approval Event.....	97
Floating Rate Notes.....	15, 85	Non-Compliance with Asset Cover Test.....	136, 185
Floating Rate Option .....	95	Non-Cooperative State.....	71, 170
Following Business Day Convention .....	94	Non-Permitted Variation.....	144
foreign passthru payments.....	171	Noteholder .....	86
French Collateral Security Agreement .....	11, 130, 183	Notes.....	1, 8, 69, 84, 109
FSMA.....	121, 127, 175, 176	Notification Event.....	137, 148
FTT .....	65	offer .....	175
Further Loan.....	134, 183	offer of Notes to the public .....	174
Garantie.....	27	Optional Redemption Amount .....	101
General Meeting.....	63, 107	<i>Ordonnance</i> .....	44
Hazard Insurance.....	134, 183	outstanding.....	92
Hazard Insurance Policy.....	134, 183	Outstanding Balance .....	135, 185
holder of any Note.....	86	Page .....	92
ICE .....	178	Participating Member States .....	65
IGAs.....	171	Paying Agents .....	84
Ineligible Collateral Asset.....	133	Permanent Dealers .....	69, 173
Insolvency Event.....	129, 183	Permitted Variation.....	140, 185
Instalment Notes.....	85	Pledge Certificate.....	135, 185
Insurance .....	134, 184	Pledgor.....	130, 185
Insurance Company.....	134, 184	Portfolio.....	145, 185
Insurance Polic(y)(ies).....	134, 184		



Preceding Business Day Convention.....	94	Repurchase Price in case of Non-Permitted Variation	145
Pre-Maturity Reserve .....	57, 185	Reset Date.....	95
Pre-Maturity Reserve Required Amount .....	57, 77	Resolution Authority.....	44
Pre-Maturity Reserve Test Period .....	57, 77	Responsible Person .....	41
Pre-Maturity Reserve Trigger Event .....	57, 77	retail investor .....	174
Prepayment.....	140, 185	RMBS .....	9, 25
Prepayment Penalty.....	140, 186	Royal Street .....	9, 25
PRIIPs Regulation.....	5, 154	Secured Liabilities .....	131, 186
Primary Source.....	92	Secured Party .....	130, 186
Principal Financial Centre .....	96	Seller.....	142, 186
<i>Privilège</i> .....	1, 87	Series .....	70, 84
Programme .....	1, 69	Servicer.....	139, 186
Programme Documents .....	186	Servicer Rating Trigger Event .....	141, 187
Proposed Directive .....	65	Services.....	139, 149
Prospectus de Base .....	24	Servicing Agreement .....	11, 149, 187
Prospectus Directive.....	1, 84, 156, 174	Servicing Termination Event .....	141, 151
Purchase .....	143, 186	Specified Currency.....	93
Purchase Date.....	143, 186	Specified Denomination(s) .....	85
Purchase Documents .....	11, 142, 186	Specified Duration .....	93
Purchase Master Definitions and Construction Agreement .....	186	SRM Regulation .....	44
Purchaser.....	142, 186	Stabilising Manager(s).....	4
Rate of Interest .....	92	Stop Payment Event.....	130, 187
RD.....	52	Suspension/Withdrawal Event .....	98
Receiptholders.....	84	Swap Transaction.....	95
Receipts.....	84	Talons .....	84
Redenomination Date.....	86	TARGET 2 Business Day .....	88
Reference Banks.....	92, 159	TARGET 2 System .....	88
Registration Agent .....	85	TEFRA.....	74
Règlement CRA .....	29	Temporary Global Certificate .....	1, 111
Regulated Market .....	1, 13, 84	Titres.....	24
Regulation 99-10 of the CRBF.....	46	Titres à Date de Maturité Extensible.....	31
Regulation S.....	3	Titres à Taux Fixe .....	31
Rejection Event.....	97	Titres à Taux Fixe/Variable .....	31
Relevant Date.....	93	Titres à Taux Variable .....	31
Relevant Financial Centre .....	93	Titres à Taux Variable Inversés .....	31
Relevant Rate .....	93, 96	Titres à Zéro Coupon .....	31
Relevant Rate Determination Agent.....	96	Tranche .....	70, 84
Relevant Time .....	93	Transaction Account .....	147, 187
Replacement Relevant Rate.....	96	Treaty.....	86
Representative .....	106	unit.....	99
Representative Amount .....	93	Variation .....	140, 187
Repurchase Date in case of Breach .....	144	Written Majority Decision .....	63, 107
Repurchase Date in case of Non-Permitted Variation	145	Written Majority Decision Date.....	108
Repurchase Price in case of Breach.....	144	Written Unanimous Decision.....	63, 107
		Zero Coupon Notes.....	15, 85

**Issuer**

**AXA Bank Europe SCF**  
203/205, rue Carnot  
94138 Fontenay-sous-Bois  
France

**Arranger**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Permanent Dealers**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**  
12, place des Etats-Unis  
CS 70052  
92547 Montrouge Cedex  
France

**HSBC France**  
103, avenue des Champs Elysées  
75008 Paris  
France

**ING Bank N.V.**  
Foppingadreef 7  
1102 BD Amsterdam  
the Netherlands

**NATIXIS**  
30, avenue Pierre Mendes France  
75013 Paris  
France

**Société Générale**  
29, boulevard Haussmann  
75009 Paris  
France

**Fiscal Agent, Principal Paying Agent and Calculation Agent**

**BNP Paribas Securities Services**  
(Euroclear France number 29106)  
3,5,7 rue du Général Compans  
93500 Pantin

**Luxembourg Listing Agent**

**BNP Paribas Securities Services, Luxembourg Branch**  
60, avenue J.F. Kennedy  
L-1855 Luxembourg

**Auditors to the Issuer**

**PricewaterhouseCoopers Audit**

63, rue de Villiers  
92208 Neuilly sur Seine  
France

**Mazars**

61, rue Henri Régault  
92400 Courbevoie  
France

**Specific Controller to the Issuer**

**CAILLIAU DEDOUT ET ASSOCIES**

19, rue Clément Marot  
75008 Paris  
France

**Legal Advisers**

*To the Issuer*

**Hogan Lovells (Paris) LLP**

17, avenue Matignon  
CS 30027  
75008 Paris  
France

*To the Permanent Dealers*

**Gide Loyrette Nouel A.A.R.P.I.**

15, rue de Laborde  
75008 Paris  
France