OFFERING CIRCULAR


# CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK (as Issuer)

## U.S.$8,000,000,000

## Structured U.S. Security Program

## unconditionally and irrevocably guaranteed by

## CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK NEW YORK BRANCH

Under this U.S.$8,000,000,000 Structured U.S. Security Program (the "**Program**"), Crédit Agricole Corporate and Investment Bank, a limited liability company incorporated in France as a *société anonyme* ("**Crédit Agricole CIB**" or the "**Issuer**"), may from time to time issue notes and/or warrants (the "**Securities**") in one or more series. The return on the Securities may be linked to various financial and non-financial indices or formulas, including formulas, indices or methods based on changes in prices or performance of particular securities, one or more securities of one or more issuers other than Crédit Agricole CIB, currencies, intangibles, goods or commodities, or any other financial, economic or other measures or instruments, including the occurrence or non-occurrence of any event or circumstance, or a combination thereof. The maximum aggregate principal amount and notional amount of all Securities from time to time outstanding under the Program will not exceed U.S.$8,000,000,000 (or its equivalent in other currencies), subject to increase as described herein.

The payments of all amounts due and the satisfaction of all delivery obligations in respect of the Securities will be unconditionally and irrevocably guaranteed by Crédit Agricole Corporate and Investment Bank, acting through its New York Branch ("**Crédit Agricole CIBNY**" or the "**Guarantor**"), pursuant to the terms of a guarantee (the "**Guarantee**") issued by the Guarantor in regards to all series of Securities issued pursuant to this Offering Circular.

The specific terms of each series of Securities will be set forth in supplements to this Offering Circular (each, an "**Offering Circular Supplement**") relating to such series, including whether the Securities are being offered pursuant to the exemption from registration provided by Section 3(a)(2) (the "**3(a)(2) Securities**") of the Securities Act of 1933, as amended (the "**Securities Act**"), or offered in reliance on the exemption from registration provided by Rule 144A (the "**144A Securities**") under the Securities Act ("**Rule 144A**") only to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A. In addition, Securities may, if specified in the applicable Offering Circular Supplement, be offered outside the United States to persons that are not U.S. persons (as such term is defined in Rule 902 under the Securities Act (a "**non-U.S. person**")) pursuant to Regulation S (the "**Regulation S Securities**") under the Securities Act ("**Regulation S**").

The Issuer has appointed Credit Agricole Securities (USA) Inc. ("**Credit Agricole Securities**") (formerly known as, Calyon Securities (USA) Inc.), an affiliate of the Issuer, as the initial Dealer for the sale of any series of Securities. The Issuer or Credit Agricole Securities may appoint other registered broker-dealers (together with Credit Agricole Securities, the "**Dealers**", and each of the Dealers individually, a "**Dealer**") for the sale of the Securities. Any offering of Securities in which the Issuer's affiliate(s) participate will be conducted in compliance with the requirements of Financial Industry Regulatory Authority, Inc. ("**FINRA**") Rule 5121 (*Public Offerings of Securities With Conflicts of Interest)* regarding a FINRA member firm's distribution of securities of an affiliate and conflicts of interest. In accordance with FINRA Rule 5121, Credit Agricole Securities (or any other FINRA member firm that is an affiliate of the Issuer or otherwise has a conflict of interest as set forth in the Rule) may not make sales in offerings of the Securities to any discretionary account without the prior written approval of the customer. See "*Plan of Distribution (Conflicts of Interest)*" herein.

**The 3(a)(2) Securities, 144A Securities, Regulation S Securities and the Guarantee are not required to be, and have not been, registered under the Securities Act or the state securities laws of any state of the United States or the securities laws of any other jurisdiction. The 144A Securities and Regulation S Securities may not be offered, sold, pledged or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. Prospective investors are hereby notified that the seller of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on resales, see "*Notice to Investors*".**

**The Securities have not been registered with, recommended, approved or disapproved by the Securities and Exchange Commission (the "SEC") or any other federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not passed upon the accuracy or determined the adequacy of this Offering Circular or any Offering Circular Supplement. Any representation to the contrary is a criminal offense.**

**Under no circumstance shall this Offering Circular constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction. The Issuer reserves the right to withdraw, cancel or modify any offer and to reject orders in whole or in part.**

**The Securities and the Guarantee are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other governmental agency or entity of any jurisdiction.**

**Holders of the Securities are deemed to agree to the exercise of the Bail-in Power which can result in the write-down of the Securities or their conversion to other instruments as discussed further under "*Description of the Securities — Bail-In Power*" beginning on page 24.**

**Prospective investors should carefully read this Offering Circular and any applicable Offering Circular Supplement, including the risk factors set forth herein and therein, before they invest. Investing in the Securities involves certain risks (see "*Risk Factors*" beginning on page 8). In particular, prospective investors should be aware that certain Securities may be redeemed at a price below par and should be prepared to sustain a partial or total loss of their initial investment in the Securities.**

## CREDIT AGRICOLE SECURITIES (USA) INC.

The date of this Offering Circular is October 29, 2018.

**This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated by reference herein (see "*Documents Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular. This Offering Circular may only be used for the purposes for which it has been written.**

**The information contained in this Offering Circular and any Offering Circular Supplement was obtained from the Issuer and other sources that the Issuer believes to be reliable, but no assurance can be given as to the accuracy or completeness of such information. In making an investment decision, you must rely on your own examination of the Issuer, the Guarantor and the terms of the offering of the particular Securities, including the merits and risks involved. The contents of this Offering Circular and any Offering Circular Supplement are not to be construed as investment, legal, business or tax advice. You should consult your investment advisor, attorney, business advisor or tax advisor for investment, legal, business or tax advice.**

**Neither the delivery of this Offering Circular or any Offering Circular Supplement nor the offering, sale or delivery of any Security shall create any implication that the information contained herein or in the Offering Circular Supplement is correct at any time after the respective dates hereof and of the Offering Circular Supplement or that there has been no change in the Issuer's or the Guarantor's business, financial condition, results of operations or prospects since the respective dates hereof and of the Offering Circular Supplement. The Dealers expressly do not undertake to review the financial conditions or affairs of the Issuer or the Guarantor during the life of the Program or to advise any investor or prospective investor in the Securities of any information coming to their attention.**

**All inquiries relating to this Offering Circular and any Offering Circular Supplement and the offering contemplated herein should be directed to Credit Agricole Securities or any of the other Dealers. You may obtain additional information from the Issuer or the Guarantor that you may reasonably require in connection with your decision to purchase any of the Securities.**

**Each purchaser of the Securities from the Dealers will be furnished a copy of this Offering Circular and the Offering Circular Supplement related to the Securities being offered and any related amendments or supplements to this Offering Circular and the accompanying Offering Circular Supplement. By receiving this Offering Circular and the accompanying Offering Circular Supplement you acknowledge that (i) you have been afforded an opportunity to request from the Issuer and the Guarantor, and have received, all additional information you consider to be necessary to verify the accuracy and completeness of the information herein and in such Offering Circular Supplement, (ii) you have reviewed all additional information you consider to be necessary to verify the accuracy and completeness of the information herein and in such Offering Circular Supplement, (iii) you have not relied on the Dealers or any person affiliated with the Dealers in connection with your investigation of the accuracy of such information or your investment decision and (iv) except as provided pursuant to clause (i) above, no person has been authorized to give any information or to make any representation concerning the Securities offered hereby other than those contained herein and in such Offering Circular Supplement and, if given or made, such other information or representation should not be relied upon as having been authorized by the Issuer, the Guarantor or the Dealers.**

**No Dealer has independently verified the information contained herein or in such Offering Circular Supplement. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any Dealer as to the accuracy or completeness of the information contained or incorporated in this Offering Circular, any Offering Circular Supplement or any other information provided by the Issuer or the Guarantor in connection with the Program.**

**Each purchaser of the Securities should have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investing in, holding and disposing of the Securities. Investments in the Securities should only be made by purchasers who are able and prepared to bear the substantial risks of investment therein. In making an investment decision, the purchaser must rely on its own examination of the Issuer, the Guarantor, the terms of the Securities and the offering, including the merits and risks involved. The Securities are not appropriate for all investors and involve important legal and tax consequences and investment risks that should be discussed by purchasers with their professional advisors. By accepting delivery of this Offering Circular and any Offering Circular Supplement, prospective**

**purchasers will be deemed to have acknowledged the need to conduct their own investigation and to exercise their own due diligence before considering an investment in the Securities.**

**Certain persons participating in any offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Securities, including stabilizing and syndicate covering transactions. For a description of these activities see "*Plan of Distribution (Conflicts of Interest)*."**

**It is not possible to predict whether the Securities will trade in a secondary market or, if they do, whether such market will be liquid or illiquid. Credit Agricole Securities (or an affiliate of Credit Agricole Securities) and other Dealers reserve the right from time to time to enter into agreements with one or more of the holders of the Securities to provide a market for the Securities but are not obligated to do so or to make any market for the Securities. Credit Agricole Securities and other Dealers may use this Offering Circular and any Offering Circular Supplement in connection with any of these activities including for market-making transactions involving the Securities after their initial sale.**

**After a distribution of a series of Securities is completed, because of certain regulatory restrictions arising from its affiliation with the Issuer, Credit Agricole Securities may not be able to make a market in such series of Securities or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of Securities. Other Dealers unaffiliated with the Issuer will not be subject to such prohibitions.**

**Unless otherwise specified in the applicable Offering Circular Supplement, each Security will be represented initially by a global security (a "Global Security") registered in the name of a nominee of The Depository Trust Company (together with any successor, "DTC"). Beneficial interests in Global Securities represented by a Global Security will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. Global Securities will not be issuable in definitive form, except under the circumstances described under "*Book Entry Procedures*".**

**The 144A Securities and Regulation S Securities are subject to restrictions on transferability and resale and may not be transferred or resold except in a transaction exempt from or not subject to the registration requirements of the Securities Act. Each purchaser of 144A Securities and Regulation S Securities will be deemed to have made certain acknowledgments, representations and agreements relating to such restrictions on transfer and resale as more fully described under "*Notice to Investors*".**

**The distribution of this Offering Circular and any Offering Circular Supplement and the offer, sale and delivery of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular and any accompanying Offering Circular Supplement may come are required to inform themselves about and to observe any such restrictions. The Issuer, the Guarantor and the Dealers do not represent that this Offering Circular or any Offering Circular Supplement may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any application registration or other requirement in any such jurisdiction, or pursuant to an exemption available thereunder, nor do they assume any responsibility for facilitating any such distribution or offering. This Offering Circular and any Offering Circular Supplement do not constitute an offer to sell or the solicitation of an offer to buy any of the Securities offered hereby by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.**

**Any reproduction or distribution of this Offering Circular, in whole or in part, or any disclosure of its contents or use of any of its information for purposes other than evaluating a purchase of the Securities is prohibited without the express prior written consent of the Issuer.**

**TABLE OF CONTENTS**

# NOTICE TO INVESTORS

*Because of the following restrictions on 144A Securities and Regulation S Securities, purchasers are advised to read the accompanying Offering Circular Supplement carefully and consult legal counsel prior to making any offer, resale, pledge or other transfer of any 144A Securities or Regulation S Securities.*

The 144A Securities and Regulation S Securities have not been, and will not be, registered under the Securities Act or the state securities laws of any state of the United States or the securities laws of any other jurisdiction and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or the 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. Accordingly, the 144A Securities are being offered and sold only to qualified institutional buyers ("QIBs"), within the meaning of Rule 144A, in compliance with Rule 144A and the Regulation S Securities are being offered and sold only outside the United States to persons that are not U.S. persons in "**offshore transactions**" in compliance with Regulation S. The terms "**United States**", "**U.S. person**", "**not 'U.S. persons**'" (which may be referred to herein as a "**non-U.S. person**") and "**offshore transactions**" used in this section have the meanings given to them under Regulation S.

Each holder and beneficial owner of 144A Securities and Regulation S Securities acquired in connection with their initial distribution and each transferee of 144A Securities or Regulation S Securities from any such holder or beneficial owner will be deemed to have represented and agreed with the Issuer of such Securities as follows, as may be amended in the applicable Offering Circular Supplement (terms used in this paragraph that are defined in Rule 144A or Regulation S shall have the meanings as defined therein):

(1) It is purchasing the 144A Securities or Regulation S Securities, as the case may be, for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a**)** in the case of 144A Securities, a QIB and is aware that the sale to it is being made in reliance on Rule 144A or (b) in the case of Regulation S Securities, a non-U.S. person making the purchase in compliance with Regulation S.

(2) It understands and acknowledges that the 144A Securities and the Regulation S Securities have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.

(3) In the case of a purchaser of 144A Securities, it shall not resell or otherwise transfer any of the 144A Securities, unless such resale or transfer is made (a) to the Issuer of such 144A Securities, (b) to a QIB in compliance with Rule 144A or (c) outside the United States in offshore transactions in compliance with Regulation S under the Securities Act.

(4) In the case of a purchaser of Regulation S Securities, it acknowledges that until 40 days after the later of the commencement of the offering and the closing of the offering of the Regulation S Securities, any offer or sale of Regulation S Securities within the United States by a broker/dealer (whether or not participating in the offering) not made in compliance with Rule 144A under the Securities Act may violate the registration requirements of the Securities Act.

(5) It will, and each subsequent holder or beneficial owner is required to, notify any subsequent purchaser of 144A Securities or Regulation S Securities from it of the restrictions on transfer of such Securities.

(6) It acknowledges that neither the Issuer nor the Trustee (as defined below) will be required to accept for registration of transfer any 144A Securities or Regulation S Securities acquired by it, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the restrictions on transfer set forth herein have been complied with.

(7) It acknowledges that the Issuer, the Dealers and others will rely upon the truth and accuracy of the foregoing representations and agreements and agrees that if any of the representations or agreements deemed to have been made by it in its purchase of the 144A Securities or Regulation S Securities are no

longer accurate, it shall promptly notify the Issuer and the Dealers. If it is acquiring the 144A Securities or Regulation S Securities as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations and agreements on behalf of each such account.

(8) It acknowledges that the foregoing restrictions apply to holders of beneficial interests in the 144A Securities and Regulation S Securities as well as to registered holders of such Securities.

(9) On each day from the date on which it acquires the 144A Security or Regulation S Security through and including the date on which it disposes of its interests in such Security, either that (a) it is not an "**employee benefit plan**" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") subject to Title I of ERISA, a plan subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), a governmental, church or non-U.S. plan which is subject to any federal, state, local or non-U.S. law or restriction that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or an entity whose underlying assets include the assets of any of the foregoing types of employee benefit plans or plans or (b) its purchase, holding and disposition of such Security will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan will not constitute or result in a non-exempt violation of any substantially similar federal, state, local or non-U.S. law or restriction).

(10) Unless otherwise provided in the applicable Offering Circular Supplement, it is domiciled or resident for tax purposes outside the Republic of France.

The certificates representing the 144A Securities or Regulation S Securities will bear a legend to the following effect, as may be amended in the accompanying Offering Circular Supplement, unless the Issuer determines otherwise in compliance with applicable law:

**"THE SECURITIES EVIDENCED HEREBY (THE "SECURITIES") AND THE GUARANTEE OF SUCH SECURITIES (THE "GUARANTEE") BY CRÉDIT AGRICOLE CIB, ACTING THROUGH ITS NEW YORK BRANCH, HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE STATE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE 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, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION AND IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS CONTAINED IN THE INDENTURE UNDER WHICH THIS SECURITY WAS ISSUED.**

**EACH HOLDER AND BENEFICIAL OWNER IS DEEMED TO REPRESENT ON EACH DAY FROM THE DATE IT ACQUIRES THE SECURITY THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THE SECURITY EITHER THAT (A) IT IS NOT AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), SUBJECT TO TITLE I OF ERISA, A PLAN SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR RESTRICTION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY OF THE FOREGOING TYPES OF EMPLOYEE BENEFIT PLANS OR PLANS OR (B) ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH SECURITY WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR RESTRICTION)."**

## LIMITATIONS ON ENFORCEMENT OF CIVIL LIABILITIES

Crédit Agricole CIB is a *société anonyme* duly organized and existing under the laws of France, and many of its assets are located in France. Many of its subsidiaries, legal representatives, executive officers and employees reside in France, and substantially all of the assets of these persons are located in France. As a result, it may not be possible, or it may be difficult, for a holder or beneficial owner of the Securities located outside of France to effect service of process upon Crédit Agricole CIB or such entities or persons in the home country of the holder or beneficial owner or to enforce against such entities or persons judgments obtained in non-French courts, including those judgments predicated upon the civil liability provisions of the U.S. federal or state securities laws.

## FORWARD-LOOKING STATEMENTS

Certain of the matters discussed in this Offering Circular and any Offering Circular Supplement or in the information incorporated by reference herein may constitute forward-looking statements. Such information may involve known and unknown risks, uncertainties and other factors that may cause the Issuer's or the Guarantor's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and, therefore, undue reliance should not be placed on forward-looking statements. Forward-looking statements speak only as of the date they are made, and the Issuer, the Guarantor and the Dealers undertake no obligation to update any of them in light of new information or future events.

## EXCHANGE RATE AND CURRENCY INFORMATION

In this Offering Circular, references to "**euro**", "**EUR**" and **"€"** refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam. References to "**$**", "**U.S.$**" and "**U.S. dollars**" are to United States dollars. Certain financial information contained herein and in any documents incorporated by reference herein is presented in euros. On October 19, 2018, the Noon Buying Rate in New York City for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York (the "**Noon Buying Rate**") was U.S. $1.1513 per one euro.

The following table shows the period-end, average, high and low Noon Buying Rates for the euro, expressed in U.S. dollars per one euro, for the periods and dates indicated.

| **Month** | **Period End** | **Average Rate*** | **High** | **Low** |
|---|---|---|---|---|
| September 2018 | 1.1622 | 1.1667 | 1.1773 | 1.1566 |
| August 2018 | 1.1596 | 1.1547 | 1.1720 | 1.1332 |
| July 2018 | 1.1706 | 1.1685 | 1.1744 | 1.1604 |
| June 2018 | 1.1677 | 1.1679 | 1.1815 | 1.1577 |
| May 2018 | 1.1670 | 1.1823 | 1.2000 | 1.1551 |
| April 2018 | 1.2074 | 1.2270 | 1.2384 | 1.2074 |
| March 2018 | 1.2320 | 1.2334 | 1.2440 | 1.2216 |
| February 2018 | 1.2211 | 1.2340 | 1.2482 | 1.1922 |
| January 2018 | 1.2428 | 1.2197 | 1.2488 | 1.1922 |
| **Year** | | | | |
| 2017 | 1.2022 | 1.1396 | 1.2041 | 1.0416 |
| 2016 | 1.0552 | 1.1029 | 1.1516 | 1.0375 |
| 2015 | 1.0859 | 1.1032 | 1.2015 | 1.0524 |
| 2014 | 1.2101 | 1.3210 | 1.3927 | 1.2101 |
| 2013 | 1.3779 | 1.3303 | 1.3816 | 1.2774 |
| 2012 | 1.3186 | 1.2909 | 1.3463 | 1.2062 |

* The average of the Noon Buying Rates on the last business day of each month during the relevant period for year average; on each business day of the month for monthly average; amounts may have been rounded for ease of analysis.

Fluctuations in exchange rates that have occurred in the past are not necessarily indicative of fluctuations in exchange rates that may occur at any time in the future. No representations are made herein that the euro or U.S. dollar amounts referred to herein could have been or could be converted into U.S. dollars or euros, as the case may be, at any particular rate.

Purchasers are required to pay for each Security in the currency specified by the Issuer for that Security. If requested by a prospective purchaser of a Security having a specified currency ("**Specified Currency**") other than U.S. dollars, the Dealers may at their discretion arrange for the exchange of U.S. dollars into the Specified Currency to enable the purchaser to pay for the Security. Each such exchange will be made by a Dealer on the terms, conditions, limitations and charges that the Dealer may from time to time establish in accordance with its regular foreign exchange practice. The purchaser must pay all costs of exchange.

## SUMMARY

The following summary does not purport to be complete and is qualified by the remainder of this Offering Circular and, with respect to the terms and conditions of any particular series of Securities, the applicable Offering Circular Supplement. Words and expressions defined in other sections of this Offering Circular shall have the same meanings in this summary.

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| Issuer ..... | Crédit Agricole Corporate and Investment Bank ("**Crédit Agricole CIB**"). |
| Amount..... | The Issuer may use this Offering Circular to offer up to, in an aggregate principal amount and notional amount outstanding not to exceed at any one time of, U.S.$8,000,000,000 of Securities, or its equivalent in other currencies. |
| Issue Price..... | Securities will be issued at the issue price provided in the relevant Offering Circular Supplement. |
| Final Payment Date ..... | Any date of maturity or expiration in excess of one day as provided in the relevant Offering Circular Supplement. No maximum time to maturity or expiration is contemplated, and Securities may be issued with no specified maturity or expiration dates. |
| Denominations..... | Securities will be issued in such denominations as may be specified in the applicable Offering Circular Supplement. |
| Specified Currency ..... | Securities may be denominated in any currency or currencies agreed upon between the Issuer and the relevant Dealers, subject to compliance with all applicable legal and regulatory restrictions. Payments in respect of an issue of Securities may, subject to applicable legal and regulatory compliance, be made in and linked to any currency or currencies. Unless otherwise noted in the Offering Circular Supplement, the Specified Currency for all Securities shall be U.S. dollars. |
| Redenomination..... | Securities may be redenominated in euros as set forth in the applicable Offering Circular Supplement. |
| Form of Securities ..... | Unless otherwise specified in the applicable Offering Circular Supplement, Securities will be issued in the form of one or more fully registered Global Securities, without coupons, registered in the name of a nominee of DTC and deposited with a custodian for DTC. You may hold a beneficial interest in Securities through DTC directly as a participant in DTC or indirectly through financial institutions that are participants in DTC.<br><br>Owners of beneficial interests in Securities will generally not be entitled to have their Securities registered in their names, will not be entitled to receive certificates in their names evidencing their Securities and will not be considered the holder of any Securities under the Indenture (as defined below). |
| Status of the Securities ..... | The Securities will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future direct, unconditional, unsecured and |

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|---|---|
| | unsubordinated obligations of the Issuer, except for obligations given priority by law. Holders of the Securities are deemed to agree to the exercise of the Bail-in Power which can result in the write-down of the Securities or their conversion to other instruments as discussed further under *"Description of the Securities — Bail-In Power"* beginning on page 24. |
| ACPR | The payments of all amounts due and the satisfaction of all delivery obligations in respect of the Securities will be unconditionally and irrevocably guaranteed by Crédit Agricole Corporate and Investment Bank, acting through its New York Branch ("**Crédit Agricole CIBNY**" or the "**Guarantor**"), pursuant to the terms of a guarantee (the "**Guarantee**") issued by the Guarantor in regards to all series of Securities issued pursuant to this Offering Circular. Crédit Agricole CIBNY's obligations under the Guarantee constitute unconditional, unsecured and unsubordinated obligations of Crédit Agricole CIBNY and will rank *pari passu* with all present and future direct, unconditional, unsecured and unsubordinated obligations of Crédit Agricole CIBNY, except for obligations given priority by law. |
| Types of Securities | The Issuer may issue Securities in one or more series and the return on the Securities may be linked to various financial and non-financial indices or formulas, including formulas, indices or methods based on changes in prices or performance of particular securities, one or more securities of one or more issuers other than Crédit Agricole CIB, currencies, intangibles, goods or commodities, or any other financial, economic or other measures or instruments, including the occurrence or non-occurrence of any event or circumstance, or a combination thereof. |
| Governing Law | The Securities will be governed by, and construed in accordance with, the laws of the State of New York, unless otherwise specified in the applicable Offering Circular Supplement. |
| Distribution | Each Offering Circular Supplement will explain the ways in which the Issuer intends to sell a specific issue of Securities, including the names of any agents or dealers, details of the pricing of the issue of Securities, as well as any commissions, concessions or discounts the Issuer is granting to such agents or dealers, and whether the Securities will be offered pursuant to Section 3(a)(2) of the Securities Act, in reliance on Rule 144A or pursuant to Regulation S. |
| Trustee | The Bank of New York Mellon Corporation. |
| Calculation Agent | Crédit Agricole CIB, or as otherwise provided in the applicable Offering Circular Supplement. |
| No Registration; Transfer Restrictions | The 3(a)(2) Securities, 144A Securities, Regulation S Securities and the Guarantee are not required to be, and have not been, registered under the Securities Act or the state securities laws of any state of the United States or the securities laws of any other jurisdiction. The 144A Securities and Regulation S Securities may not be offered, sold, pledged or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. See "*Notice to Investors*." |

The applicable Offering Circular Supplement may contain additional restrictions on transfer required by any applicable securities laws or as otherwise determined by the Issuer.

# RISK FACTORS

The discussion below is of a general nature and is intended to describe various risk factors associated with an investment in any Securities issued under this Offering Circular. The factors that will be of relevance to the Securities will depend upon a number of interrelated matters including, but not limited to, the nature of the issue of Securities. Prospective purchasers should carefully consider the following discussion of risks and any risk factors in any applicable Offering Circular Supplement before deciding whether to invest in the Securities. However, these risk factors and any risk factors contained in any applicable Offering Circular Supplement do not disclose all possible risks associated with an investment in the Securities, and additional risks may arise after the date of the offering.

No investment should be made in the Securities until after careful consideration of all those factors that are relevant in relation to the Securities and consultation with investors' financial, legal and tax advisors.

**Issuer and Guarantor Credit Risk**

Investors are subject to the credit risk of the Issuer and the Guarantor. The credit ratings assigned to the Program relate to the creditworthiness of the Issuer and the Guarantor. These ratings do not affect or enhance the performance of the Securities and are not indicative of the risks associated with the Securities. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Any payment to be made on, and delivery to be made pursuant to, the Securities depends on the ability of the Issuer and Guarantor to satisfy their obligations as they come due. In the event that the Issuer and the Guarantor were to default on their obligations, you may not receive any amounts or deliveries owed to you under the terms of the Securities and you could lose your entire initial investment.

Holders of Securities are deemed to agree to the exercise of the Bail-in Power which can result in the write-down of the Securities or their conversion to other instruments as discussed further under the risk factor "*—The Securities, the Guarantee and Any Amount due Under the Guarantee May Be Subject to Mandatory Write-down or Conversion to Other Instruments Under European and French Laws Relating to Bank Recovery and Resolution*" below and *"Description of the Securities — Bail-In Power"* beginning on page 24.

**The Securities, the Guarantee and Any Amount due Under the Guarantee May Be Subject to Mandatory Write-down or Conversion to Other Instruments Under European and French Laws Relating to Bank Recovery and Resolution**

The European Bank Resolution and Recovery Directive and the Single Resolution Mechanism, as transposed into French law by a decree-law dated August 20, 2015, provide resolution authorities with the power to write down instruments such as the Securities, the Guarantee and/or any amount due under the Guarantee, or to convert them to equity or other instruments, if the Issuer, Guarantor or the group to which they belong is failing or likely to fail (and there is no reasonable perspective that another measure would avoid such failure within a reasonable time period), becomes nonviable, or requires extraordinary public support (subject to certain exceptions). The European Bank Resolution and Recovery Directive provides that instruments such as the Securities and/or the Guarantee must be written down or converted before a resolution procedure is initiated or if doing so is necessary for the Issuer or the Guarantor to remain viable.

The write-down or conversion requirements could result in the full or partial write-down or conversion to equity (or other instruments) of the Securities, the Guarantee and/or any amount due under the Guarantee. If the Issuer's or Guarantor's financial condition, or that of their group, deteriorates, the existence of the write-down and conversion powers could cause the market value of the Securities to decline more rapidly than would be the case in the absence of such powers. For further information about the European Bank Resolution and Recovery Directive and related matters, see *"Description of the Securities — Bail-In Power"* beginning on page 24.

**Changes in Exchange Rates and Exchange Controls Could Result in a Substantial Loss to You**

An investment in foreign currency Securities, which are Securities denominated in a Specified Currency other than U.S. dollars, entails significant risks that are not associated with a similar investment in a security denominated in U.S. dollars. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between U.S. dollars and the Specified Currency;
- the possibility of significant changes in rates of exchange between U.S. dollars and the Specified Currency resulting from the official redenomination or revaluation of the Specified Currency; and
- the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments.

These risks generally depend on factors over which the Issuer has no control and which cannot be readily foreseen, such as:

- economic events;
- political events; and
- the supply of, and demand for, the relevant currencies.

In recent years, rates of exchange between U.S. dollars and some foreign currencies in which the Securities may be denominated, and between these foreign currencies and other foreign currencies, have been volatile. This volatility may be expected in the future. Fluctuations that have occurred in any particular exchange rate in the past are not necessarily indicative, however, of fluctuations that may occur in the rate during the term of any foreign currency Security. Depreciation of a foreign Specified Currency against U.S. dollars would result in a decrease in the effective yield of such foreign currency Security below its coupon rate or other stated payment(s), as applicable, and could result in a substantial loss to the investor on a U.S. dollar basis.

Governments have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a Specified Currency other than U.S. dollars at the time of payment of principal, any premium, interest or other amount payable on a foreign currency Security. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, any premium, interest or other amount payable denominated in any such Specified Currency.

Even if there are no actual exchange controls, it is possible that a Specified Currency would not be available to the Issuer when payments on a foreign currency Security are due because of circumstances beyond the control of the Issuer. In this event, the Issuer will make required payments in U.S. dollars on the basis described in this Offering Circular, or as otherwise provided in the applicable Offering Circular Supplement. You should consult your financial and legal advisors as to the risks of an investment in Securities denominated in a currency other than U.S. dollars. See "*—The Unavailability of Currencies Could Result in a Substantial Loss to You*."

The information set forth in this Offering Circular is directed to prospective purchasers of Securities who are United States residents, except where otherwise expressly noted. The Issuer, the Guarantor and the Dealers disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States regarding any matters that may affect the purchase or holding of, or receipt of payments of principal, premium, interest on or other amount payable on Securities. Such persons should consult their advisors with regard to these matters. One or more Offering Circular Supplements relating to Securities having a Specified Currency other than U.S. dollars will contain a description of any material exchange controls affecting that currency and any other required information concerning the applicable foreign currency.

**The Unavailability of Currencies Could Result in a Substantial Loss to You**

Except as set forth below, and as may be otherwise provided in the applicable Offering Circular Supplement, if payment on a Security is required to be made in a Specified Currency other than U.S. dollars and that currency is:

- unavailable due to the imposition of exchange controls or other circumstances beyond the Issuer's control;
- no longer used by the government of the country issuing the currency; or
- no longer used for the settlement of transactions by public institutions of the international banking community;

then all payments on that Security shall be made in U.S. dollars until the currency is again available or so used. The amounts so payable on any date in the currency will be converted into U.S. dollars on the basis of the most recently available market exchange rate for the currency as determined by the Calculation Agent. Any payment on a Security made under these circumstances in U.S. dollars will not constitute an event of default under the Indenture under which the Security was issued.

If the Specified Currency of a Security is officially redenominated, such as by an official redenomination of any Specified Currency that is a composite currency, then the payment obligations of the Issuer on the Security will be the amount of redenominated currency that represents the amount of the Issuer's obligations immediately before the redenomination. The Securities will not provide for any adjustment to any amount payable as a result of:

- any change in the value of the Specified Currency of those Securities relative to any other currency due solely to fluctuations in exchange rates; or
- any redenomination of any component currency of any composite currency, unless that composite currency is itself officially redenominated.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on Securities made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable Offering Circular Supplement.

**Judgments in a Foreign Currency Could Result in a Substantial Loss to You**

The Securities will be governed by, and construed in accordance with, the laws of the State of New York (without regard to the conflicts of law rules of the State of New York). Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

**Changes in the Value of Underlying Assets of Linked Securities Could Result in a Substantial Loss to You**

An investment in Securities calculated by reference to a financial or non-financial index, underlying asset (as defined below), formula and/or any other financial, economic or other measure or instrument ("**Linked Securities**") may have significant risks that are not associated with a similar investment in a debt instrument that:

- has a fixed principal amount;
- is denominated in U.S. dollars; and
- bears interest at either a fixed- or floating-rate based on nationally published interest rate references.

The risks of a particular Linked Security will depend on the terms of that Linked Security. These risks may include, but are not limited to, the possibility of significant changes in the prices and/or levels of:

- the underlying assets;
- another objective price and/or level; and
- economic or other measures making up the relevant index.

Underlying assets may include:

- securities;
- currencies;
- intangibles;
- goods;
- commodities; and
- financial and/or non-financial indices comprised of one or more of the foregoing.

The risks associated with a particular Linked Security generally depend on factors over which the Issuer has no control and which cannot readily be foreseen. These risks include:

- economic events;
- political events; and
- the supply, demand or performance of the underlying assets.

In considering whether to purchase Linked Securities, you should be aware that the calculation of amounts payable on Linked Securities may involve reference to:

- an index determined, or an entity controlled, by the Issuer or an affiliate of the Issuer; or
- prices that are published solely by third parties or by entities which are may not be regulated by the laws of the United States.

The risk of loss as a result of linking of principal or interest payments or other amounts payable on Linked Securities can be substantial. In addition to reviewing the applicable Offering Circular Supplement, you should consult your financial and legal advisors as to the risks of an investment in Linked Securities.

**Limited Secondary Market for Securities, If Any**

The Securities are most suitable for purchase and holding until the Final Payment Date. The Securities will be new securities for which currently there is no trading market. The Issuer does not intend to apply for listing of the Securities on any securities exchange, for quotation through the National Association of Securities Dealers Automated Quotation System (NASDAQ) or for trading in the PORTAL Alliance. The Issuer cannot assure you whether there will be a secondary market in the Securities or, if there were to be such a secondary market, that it would be liquid. In addition, the Issuer may issue the Securities in a larger aggregate principal amount or notional amount than it is able to sell initially in an offering. Any such additional Securities could be held by the Dealers or one or more of their affiliates indefinitely, or sold to investors or surrendered to the Issuer for cancellation. A reduction in the aggregate amount of the Securities actually sold to investors could decrease the liquidity of any secondary market for the Securities. If the secondary market for the Securities is limited, there may be few or no buyers if a holder decides to sell its Securities before the Final Payment Date. This may affect the amount, if any,

received by such holder. Credit Agricole Securities (or an affiliate of Credit Agricole Securities) and other Dealers reserves the right from time to time to enter into agreements with one or more holders of Securities to provide a market for the Securities, but is not obligated to do so or to make any market for the Securities.

**Securities and Guarantee Not Registered Securities**

The Securities and the Guarantee are not registered under the Securities Act or under any state securities laws. Neither the SEC nor any state securities commission or regulatory authority has recommended or approved the Securities or the Guarantee, nor has any such commission or regulatory authority reviewed or passed upon the accuracy or adequacy of the Offering Circular or the applicable Offering Circular Supplement.

**The Securities are Not Bank Deposits and are Not Insured**

The Securities are not bank deposits and an investment in the Securities carries risks which are very different from the risk profile of a bank deposit placed with the Issuer, the Guarantor or our or their affiliates. The Securities have different yield, liquidity and risk profiles and would not benefit from any protection provided to deposits. Furthermore, neither the Securities nor the Guarantee are insured or guaranteed by the FDIC or any other government agency or entity of any jurisdiction.

**Identity of the Issuer and Calculation Agent**

Because the Calculation Agent is the Issuer (unless otherwise provided in the applicable Offering Circular Supplement), potential conflicts of interest may exist between the Calculation Agent and you, including with respect to certain determinations and judgments that the Calculation Agent must make as provided herein and in the applicable Offering Circular Supplement.

**Uncertain Tax Treatment**

Significant aspects of the tax treatment of the various offerings of the Securities are uncertain, as discussed further herein under "*Material U.S. Federal Income Tax Considerations"* and in the applicable Offering circular Supplement. You should consult your tax advisor about your tax situation before making an investment decision.

**The Proposed Financial Transactions Tax ("FTT")**

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia withdrew from the enhanced cooperation in March 2016.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances.

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

The FTT proposal remains 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 holders of Securities are advised to consult their advisors in relation to the FTT.

# CREDIT AGRICOLE CIB AND CREDIT AGRICOLE CIBNY

**Crédit Agricole CIB**

The delivery of this information shall not create any implication that there has been no change in the affairs of Crédit Agricole CIB since the date hereof, or that the information contained or referred to below is correct as of any time subsequent to its date.

As of December 31, 2017, Crédit Agricole CIB was 97.33% owned directly by Crédit Agricole S.A. The shares of Crédit Agricole S.A. have been listed on the French Stock Exchange (the "**Premier marché d'Euronext Paris**") since December 14, 2001.

Crédit Agricole CIB is one of Europe's leading corporate and investment bank institutions and specializes in capital markets, investment banking and financing activities. Crédit Agricole CIB is the new name, as of February 6, 2010, of Calyon, the international wholesale banking and capital markets arm of the Crédit Agricole Group. Crédit Agricole CIB is not a new legal entity but a continuation of Calyon under a new name. Crédit Agricole CIB is a limited liability company incorporated in France as a "*société anonyme*" and established under the laws of France. As of June 30, 2017, Crédit Agricole CIB's registered office is located at 12, place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France.

On 19 July 2002, the European Union adopted regulation EC 1606/2002, which requires European publicly traded companies to produce their consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) from 2005 onwards. This was successively supplemented by regulation EC 1725/2003, dated 29 September 2003, endorsing certain international accounting standards (*i.e.*, all those in effect as of 14 September 2002), by regulation EC 1126/2008 dated 3 November 2008 that incorporated in a single text the numerous amending regulations published from 2004 to 2008, followed since then by several amending regulations to adopt the modified versions of international standards.

Under the French Ministry of Finance decree n°2004-1382 of 20 December 2004, companies may prepare their financial statements using International Financial Reporting Standards as adopted by the European Commission, even if they are not publicly traded. All Crédit Agricole Group entities have elected this option. Within the Crédit Agricole Group, Crédit Agricole CIB has consequently prepared IFRS-compliant consolidated financial statements commencing with the 2005 financial year.

As a French limited liability corporation, Crédit Agricole CIB is mainly subject to Articles L.225-1 *et seq.* and Book II of the French *Code de Commerce*. As a financial institution, "**affiliated**" with Crédit Agricole network in the meaning of the French *Code monétaire et financier*, Crédit Agricole CIB is subject to Articles L.511-1 *et seq.* and L.531-1 *et seq.,* Book V, Titles I, III, Book VI, Title I, of the French *Code monétaire et financier* and other directly applicable financial and banking regulations of the European Union. Crédit Agricole CIB is included in the list of credit institutions and it is, therefore, subject to the control of French and European bank supervisory authorities, including the European Central Bank and the French Prudential Supervisory and Resolution Authority ("**Autorité de Contrôle Prudentiel et de Résolution**"). As a nearly wholly owned subsidiary of Crédit Agricole S.A., its shares are not admitted to trading on a regulated market for dealing in financial instruments. Crédit Agricole CIB's credit ratings will be described in the applicable Offering Circular Supplement.

**Crédit Agricole CIBNY**

Crédit Agricole CIBNY, the Guarantor, is the New York Branch of Crédit Agricole CIB. Crédit Agricole CIB has been licensed by the Department of Financial Services of the State of New York (or its predecessor, the Banking Department of the State of New York) to operate Crédit Agricole CIBNY, a branch in the State of New York, since 1980. Crédit Agricole CIBNY is examined by the Banking Division of NYDFS and is subject to banking laws and regulations applicable to a foreign bank that operates a New York branch. In addition to being subject to New York State laws and regulations, Crédit Agricole CIBNY and Crédit Agricole CIB are subject to Federal regulation, including under the International Banking Act of 1978 and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Crédit Agricole CIBNY is located at 1301 Avenue of the Americas, New York, NY 10019-6022 and its telephone number is 212.261.7000. It is not required to be and is not a member of the FDIC or the Bank Insurance Fund.

# PRESENTATION OF FINANCIAL INFORMATION AND SELECT FINANCIAL INFORMATION OF CRÉDIT AGRICOLE CIB

Most of the financial data presented in this Offering Circular are presented in euros. Crédit Agricole CIB's fiscal year ends on December 31 and references in this offering circular to any specific fiscal year are to the twelve-month period ended December 31 of such year.

Crédit Agricole CIB's financial statements were prepared until December 2004 in accordance with generally accepted accounting principles in France. Crédit Agricole CIB, like all companies with securities listed in European securities exchanges, was required by European Union directives to adopt international financial reporting standards ("**IFRS**") as of January 1, 2005. IFRS differs in certain significant respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"). Crédit Agricole CIB has made no attempt to quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of Crédit Agricole CIB, the terms of the Offering Circular and applicable Offering Circular Supplement and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and how those differences might affect the information herein. For a discussion of the accounting principles and policies that impact the Group's most recent financial statements, investors should refer to the Crédit Agricole CIB 2016 Registration Document. See "*Documents Incorporated by Reference*".

Due to rounding, the numbers presented throughout this Offering Circular may not add up precisely, and percentages may not reflect absolute figures precisely.

Please note that the present policy of Crédit Agricole CIB is to publish annual consolidated audited financial statements and semi-annual unaudited consolidated financial statements. Crédit Agricole CIBNY does not separately produce complete financial statements.

**General**

In 2004 following the take over by Crédit Agricole S.A. of Crédit Lyonnais, the financing and investment banking business of Crédit Lyonnais was transferred to Crédit Agricole Indosuez S.A. ("**CAI**"). On April 30, 2004, the Shareholders' Extraordinary General Meeting of CAI also decided to change the name of CAI to "**Calyon**". This conveyed two parent brands having been brought together; Crédit Agricole and Crédit Lyonnais. Calyon's name was changed to Crédit Agricole CIB as of February 6, 2010. Crédit Agricole CIB is not a new legal entity but a continuation of Calyon under a new name.

Crédit Agricole CIB has produced IFRS compliant consolidated financial statements for financial years starting as of January 1, 2005 (see "*Transition to IFRS*" below) and has produced IFRS compliant consolidated financial statements as of December 31, 2005 for the financial year starting as of January 1, 2005.

**Transition to IFRS**

On July 19, 2002, the European Union adopted regulation EC 1606/2002, which requires European publicly traded companies to produce their consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) from 2005 onwards. This was successively supplemented by regulation EC 1725/2003, dated September 29, 2003, endorsing certain international accounting standards (*i.e.*, all those in effect of September 14, 2002), by regulation EC 1126/2008 dated 3 November 2008 that incorporated in a single text the numerous amending regulations published from 2004 to 2008, followed since then by several amending regulations to adopt the modified versions of international standards.

Under the French Ministry of Finance decree 2004-1382 of December 20, 2004, companies may prepare their financial statements using International Financial Reporting Standards as adopted by European Commission, even if they are not publicly traded. All Crédit Agricole Group entities have elected this option.

Within the Crédit Agricole Group, Crédit Agricole CIB has produced IFRS compliant consolidated financial statements for financial years starting as of January 1, 2005 and has produced IFRS compliant consolidated financial statements as of December 31, 2005 for the financial years starting as of January 1, 2005.

**Financial Information**

The following tables present selected financial data concerning Crédit Agricole CIB for the years ended December 31, 2017, 2016, 2015, 2014 and 2013 which has been derived from and should be read in conjunction with Crédit Agricole CIB's audited consolidated financial statements. The selected financial data and the financial statements from which they are derived have been prepared in accordance with IFRS, which differs in certain significant respects from U.S. GAAP.

Updated financial data may be published in financial reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) and on Crédit Agricole CIB's website, https://www.ca-cib.com/about-us/financial-information. In relation to each issue of Securities, this Offering Circular shall be deemed to be supplemented by such updated financial data to the extent described in "*Documents Incorporated by Reference*" herein.

**Income Statement**
**Year end 2013 through December 31, 2017 – IFRS**

| (in millions of euros) | 2017 | 2016 | 2015 | 2014 Comparative[3] | 2014 | 2013 Comparative[2] | 2013 Published |
|---|---|---|---|---|---|---|---|
| Interest and similar income | 5,570 | 5,335 | 4,806 | 4,632 | 4,632 | 4,799 | 4,765 |
| Interest and similar expenses | (2,963) | (2,502) | (2,908) | (2,707) | (2,707) | (2,744) | (2,696) |
| Fee and commission income | 1,557 | 1,458 | 1,411 | 1,672 | 1,672 | 1,498 | 1,475 |
| Fee commission expenses | (484) | (493) | (491) | (631) | (631) | (524) | (501) |
| Net gains (losses) on financial instruments at fair value through profit or loss | 1,064 | 1,025 | 2,281 | 1,107 | 1,107 | 722 | 722 |
| Net gains (losses) on available-for-sale financial assets | 255 | 130 | 107 | 144 | 144 | 15 | 15 |
| Income on other activities | 45 | 59 | 98 | 177 | 177 | 64 | 66 |
| Expenses on other activities | (45) | (76) | (99) | (42) | (42) | (75) | (75) |
| **Net Balancing Income** | **4,999** | **4,936** | **5,205** | **4,352** | **4,352** | **3,755** | **3,771** |
| Operating expenses | (3,094) | (2,984) | (2,960) | (2,688) | (2,690) | (2,689) | (2,706) |
| Depreciation, amortization and impairment of property, plant and equipment, and intangible assets | (91) | (96) | (107) | (90) | (90) | (91) | (91) |
| **Gross operating income** | **1,814** | **1,856** | **2,138** | **1,574** | **1,572** | **975** | **974** |
| Cost of risk | (330) | (566) | (701) | (311) | (311) | (516) | (529) |
| **Net Operating income** | **1,484** | **1,290** | **1,437** | **1,263** | **1,261** | **459** | **445** |
| Share of net income of equity-accounted entities | 277 | 211 | 59 | 162 | 162 | 124 | 115 |
| Net income on other assets | 18 | 5 | (5) | 53 | 53 | 1 | 19 |
| Change in value of goodwill | - | - | - | (22) | (22) | - | - |
| **Pre-tax income** | **1,779** | **1,506** | **1,491** | **1,456** | **1,454** | **584** | **579** |
| Income tax | (614) | (321) | (515) | (397) | (396) | (153) | (153) |
| Net income from discontinued activities | - | 11 | (3) | 3 | 3 | 156 | 156 |
| **Net income** | **1,165** | **1,196** | **973** | **1,062** | **1,061** | **587** | **582** |
| Non-controlling interests | 9 | 14 | 15 | 12 | 12 | 22 | 22 |
| **Net income-Group share** | **1,156** | **1,182** | **958** | **1,050** | **1,049** | **565** | **560** |

(1) Represents the depreciation of goodwill in relation with the adjustment plan.

(2) Comparative information for 2013 is provided in order to reflect the effects of the change in accounting policy related to the new consolidation standards (IFRS 10, 11 and 12).

(3) Restated 2014 data following the application of IFRIC 21.

For more detail, please see the financial reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) and published on Crédit Agricole CIB's website, https://www.ca-cib.com/about-us/financial-information.

**Balance Sheet – Assets**
**Year end 2013 through December 31, 2017 – IFRS**

| (in millions of euros) | 2017 | 2016 | 2015 | 2014 Comparative[2] | 2014 | 2013 Comparative[1] | 2013 Published |
|---|---|---|---|---|---|---|---|
| Cash, due from central banks | 32,604 | 18,215 | 27,509 | 47,877 | 47,877 | 56,168 | 56,201 |
| Financial assets at fair value through profit or loss | 237,001 | 261,505 | 292,985 | 355,729 | 355,729 | 310,004 | 310,285 |
| Derivative hedging instruments | 1,101 | 1,800 | 1,434 | 2,351 | 2,351 | 1,396 | 1,400 |
| Available-for-sale financial assets | 27,304 | 29,703 | 26,807 | 25,097 | 25,097 | 27,750 | 27,809 |
| Loans and receivables to credit institutions | 26,269 | 34,794 | 34,107 | 45,367 | 45,367 | 39,605 | 39,836 |
| Loans and receivables to customers | 135,039 | 135,341 | 130,250 | 119,991 | 119,991 | 109,990 | 101,938 |
| Revaluation adjustment on interest rate hedged portfolios | 17 | 14 | 11 | 34 | 34 | 23 | 23 |
| Held-to-maturity financial assets | | | | | | | |
| Current and deferred tax assets | 1,104 | 2,109 | 1,141 | 1,274 | 1,277 | 1,502 | 1,502 |
| Accruals, prepayments, and sundry assets | 26,587 | 36,930 | 31,384 | 42,932 | 42,932 | 39,621 | 39,613 |
| Non-current assets held for sale | | | 41 | | | 268 | 24,457 |
| Investments in equity-accounted entities | | 2,304 | 2,050 | 1,959 | 1,959 | 1,524 | 1,372 |
| Investment property | 1 | 1 | | | | | |
| Property, plant and equipment | 339 | 365 | 397 | 381 | 381 | 395 | 396 |
| Intangible assets | 233 | 157 | 151 | 165 | 165 | 153 | 154 |
| Goodwill | 987 | 1,023 | 1,008 | 937 | 937 | 953 | 953 |
| **Total assets** | **488,586** | **524,261** | **549,275** | **644,094** | **644,097** | **589,641** | **605,939** |

(1) Comparative information for 2013 is provided in order to reflect the effects of the change in accounting policy related to the new consolidation standards (IFRS 10, 11 and 12).

(2) Restated 2014 data following the application of IFRIC 21.

For more detail, please see the financial reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) and published on Crédit Agricole CIB's website, https://www.ca-cib.com/about-us/financial-information.

**Balance Sheet – Liabilities**
**Year end 2013 through December 31, 2017 – IFRS**

| (in millions of euros) | 2017 | 2016 | 2015 | 2014 Comparative[2] | 2014 | 2013 Comparative[1] | 2013 Published |
|---|---|---|---|---|---|---|---|
| Due to central banks | 1,585 | 1,310 | 2,254 | 2,207 | 2,207 | 2,036 | 2,036 |
| Financial liabilities at fair value through profit or loss | 237,171 | 259,384 | 276,719 | 355,939 | 355,939 | 322,639 | 322,618 |
| Derivatives hedging instruments | 1,005 | 1,134 | 1,416 | 1,086 | 1,086 | 787 | 788 |
| Due to credit institutions | 44,002 | 47,033 | 58,413 | 71,608 | 71,608 | 58,072 | 58,409 |
| Due to customers | 106,960 | 107,837 | 111,858 | 96,792 | 96,792 | 107,292 | 114,650 |
| Debt securities | 47,977 | 47,114 | 48,062 | 50,720 | 50,720 | 41,409 | 25,832 |
| Revaluation adjustment on interest rate hedged portfolios | 27 | 52 | 71 | 93 | 93 | 47 | 47 |
| Current and deferred tax liabilities | 1,588 | 1,438 | 543 | 541 | 541 | 482 | 483 |
| Accruals, deferred income and sundry liabilities | 22,634 | 31,845 | 26,138 | 42,819 | 42,828 | 34,923 | 34,919 |
| Liabilities associated with non-current assets held for sale… | | | 24 | | | | 24,189 |
| Insurance company technical reserves | 10 | 9 | 8 | 11 | 11 | 11 | 11 |
| Provisions | 1,434 | 1,371 | 1,299 | 1,596 | 1,596 | 1,362 | 1,376 |
| Subordinated debt | 5,148 | 6,140 | 4,955 | 4,567 | 4,567 | 5,162 | 5,162 |
| **Total liabilities** | **469,541** | **504,667** | **531,760** | **627,979** | **627,988** | **574,222** | **590,520** |
| Equity | | | | | | | |
| Equity, Group share | 18,940 | 19,482 | 17,407 | 16,018 | 16,012 | 15,309 | 15,309 |
| Share capital and reserves | 11,860 | 11,860 | 10,114 | 8,160 | 8,160 | 8,160 | 8,160 |
| Consolidated reserves | 5,775 | 5,023 | 5,064 | 5,813 | 5,808 | 6,255 | 6,255 |
| Other comprehensive income… | 149 | 1,417 | 1,272 | 995 | 995 | 353 | 353 |
| Other comprehensive income on non-current assets held for sale | | | (1) | | | (19) | (19) |
| Net income/(loss) for the year | 1,156 | 1,182 | 958 | 1,050 | 1,049 | 560 | 560 |
| Non-controlling interests | 105 | 112 | 108 | 97 | 97 | 110 | 110 |
| **Total Equity** | **19,045** | **19,594** | **17,515** | **16,115** | **16,109** | **15,419** | **15,419** |
| **Total equity and liabilities** | **488,586** | **524,261** | **549,275** | **644,094** | **644,097** | **589,641** | **605,939** |

(1) Comparative information for 2013 is provided to reflect the effects of the change in accounting policy related to the new consolidation standards (IFRS 10,11 and 12).

(2) Restated 2014 data following the application of IFRIC 21.

For more detail, please see the financial reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) and published on Crédit Agricole CIB's website, https://www.ca-cib.com/about-us/financial-information.

**Net Income and other Comprehensive Income**
**Year end 2016 through December 31, 2017 – IFRS**

| (in millions of euros) | 2017 | 2016 |
|---|---|---|
| **Net Income** | **1,165** | **1,196** |
| Actuarial gains (losses) on post-employment benefits | 67 | (60) |
| **Pre-tax gains (losses) accounted in other comprehensive income (non-recyclable) excluding equity-accounted entities** | **67** | **(60)** |
| **Pre-tax gains (losses) accounted in other comprehensive income (non-recyclable) on equity-accounted entities** | | |
| **Income tax accounted in other comprehensive income (non-recyclable) excluding equity-accounted entities** | **(38)** | **4** |
| **Income tax accounted in other comprehensive income (non-recyclable) on equity-accounted entities** | | |
| **Net gains (losses) accounted in other comprehensive income (non-recyclable)** | **29** | **(56)** |
| Gains (losses) on currency translation adjustment | (548) | 138 |
| Gains (losses) on available-for-sale assets | (298) | 19 |
| Gains (losses) on hedging derivative instruments | (224) | (60) |
| **Pre-tax gains (losses) accounted in other comprehensive income (recyclable) excluding equity-accounted entities** | **(1,070)** | **97** |
| **Pre-tax gains (losses) accounted in other comprehensive income (recyclable) on equity-accounted entities** | **(357)** | **92** |
| **Income tax accounted in other comprehensive income (recyclable) excluding equity-accounted entities** | **124** | **13** |
| **Income tax accounted in other comprehensive income (recyclable) on equity-accounted entities** | | |
| **Net gains (losses) accounted in other comprehensive income (recyclable) on discontinued activities** | | **1** |
| **Net gains (losses) accounted in other comprehensive income (recyclable)** | **(1,303)** | **202** |
| **Net gains (losses) accounted in other comprehensive income** | **(1,274))** | **147** |
| **Net income and other comprehensive income** | **(109)** | **1,343** |
| Of which Group share | (112) | 1,328 |
| Of which non-controlling interests | 3 | 15 |

For more detail, please see the financial reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) and published on Crédit Agricole CIB's website, https://www.ca-cib.com/about-us/financial-information.

## USE OF PROCEEDS

Unless otherwise indicated in the applicable Offering Circular Supplement, the Issuer's head office or any of its branches or subsidiaries will use the net proceeds it receives from any offering of the Securities for general corporate purposes. The Issuer or one or more of its affiliates may use a portion of the proceeds from the sale of the Securities to hedge, including by means of transactions with affiliated counterparties, the Issuer's exposure to payments the Issuer may have to make on the Securities.

# DESCRIPTION OF THE SECURITIES

The following description of the Securities sets forth certain general terms of the Securities to which any Offering Circular Supplement may relate. The specific terms of the Securities offered by any Offering Circular Supplement will be described in the Offering Circular Supplement relating to such Securities, and, to the extent inconsistent with this description, the terms set forth in the applicable Offering Circular Supplement shall replace the terms described herein for the purposes of such Securities.

The following also briefly summarizes the material provisions of the Indenture and does not purport to be complete. You should read the Indenture in its entirety, including the defined terms, for provisions that may be important to you because the Indenture, and not these summaries, defines your rights as a holder of Securities issued under the Indenture. The terms of the Indenture are incorporated into this Offering Circular by reference. Unless otherwise specified in this Offering Circular, capitalized terms used in this summary, but not defined herein, have the meanings specified in the Indenture.

**General**

The Issuer may from time to time issue one or more series of notes and/or warrants (the "**Securities**"), the return of which may be linked to various financial and non-financial indices or formulas, including formulas, indices or methods based on changes in prices or performance of particular securities, one or more securities of one or more issuers other than Crédit Agricole CIB, currencies, intangibles, goods or commodities, or any other financial, economic or other measures or instruments, including the occurrence or non-occurrence of any event or circumstance, or a combination thereof. The maximum aggregate principal amount and notional amount of all Securities from time to time outstanding under the Program will not exceed U.S.$8,000,000,000 (or its equivalent in other currencies), subject to increase as described herein.

The specific terms of each series of Securities with respect to which this Offering Circular is being delivered will be set forth in an Offering Circular Supplement, including whether the Securities are being offered pursuant to the exemption from registration provided by Section 3(a)(2) of the Securities Act, or offered in reliance on the exemption from registration provided by either Rule 144A only to QIBs or Regulation S to non-U.S. persons. The Offering Circular Supplement will contain information about the terms of the offering of the Securities and will also contain information, where applicable, about material United States federal income tax considerations relating to the Securities covered by such Offering Circular Supplement. This Offering Circular may not be used to consummate sales of Securities unless accompanied by an Offering Circular Supplement.

The Securities will be issued under the indenture dated as of May 5, 2006, as may be supplemented and amended from time to time, between Crédit Agricole CIB (formerly known as Calyon) and The Bank of New York Mellon, as Trustee (the "**Indenture**"). A copy of the Indenture is available as described in the section "*Documents Incorporated by Reference*". Pursuant to the Indenture, The Bank of New York Mellon has been appointed to act as paying agent and security registrar.

The Indenture does not limit the aggregate principal amount or notional amount of Securities that may be issued. The Issuer may issue Securities in series up to the aggregate principal amount and notional amount that may be authorized from time to time by the Issuer without consent of any holders of the Securities. The Securities will be unsecured and unsubordinated obligations of the Issuer and will rank equally with all of the Issuer's other unsecured and unsubordinated obligations, except for obligations given priority by order of law.

The Securities may be issued in one or more series. Holders of the Securities should refer to the applicable Offering Circular Supplement for the terms of the particular series of Securities, including, where applicable:

- the title and type of the Securities (which shall distinguish the offered Securities from all other series of Securities);

- the limit on the aggregate principal amount or notional amount of the Securities that may be authenticated and delivered under the Indenture (except for Securities authenticated and delivered upon transfer of, or in exchange for, or in lieu of, other Securities of the same series pursuant to the Indenture);

- the dates on which or periods during which the Securities will be issued, and the dates on, or the range of dates within, which the principal of, or any premium, interest or other amount payable on, the Securities are or may be payable;

- the rate or rates, which may be fixed or floating, at which the Securities will bear interest, if any, or the method by which the rate or rates will be determined, and the date or dates from which any interest will accrue, the date or dates on which any interest on the Securities will be payable and, in the case of registered securities, any record dates for the interest payable on the interest payment dates or the method by which any such dates will be determined;

- the places, if any, in addition to or instead of the corporate trust office of the Trustee, where (i) the principal of, premium (if any) on, interest (if any) on or any other amount payable or deliverable on the Securities of the series will be payable or deliverable, (ii) Securities of the series may be surrendered for registration or transfer, (iii) Securities of the series may be surrendered for exchange and (iv) notices to or upon the Issuer in respect of the Securities of the series and the Indenture may be served;

- the period or periods within which or the date or dates on which, the price or prices at which and the terms and conditions upon which the Securities may be redeemed, if any, in whole or in part, at the Issuer's option or otherwise;

- if other than denominations of U.S.$1,000 and any integral multiples thereof, the denominations in which any Securities will be issuable;

- if other than the Trustee, the identity of each security registrar and/or paying agent;

- if other than the principal amount or notional amount, the portion of the principal amount or notional amount (or the method by which this portion will be determined) of the Securities that will be payable on the Final Payment Date and/or if the Final Payment Date is accelerated;

- if other than in United States dollars, the Specified Currency in which the Securities will be denominated or in which payment of the principal and premium, if any, or any interest or other amount payable on the Securities will be payable and any other terms concerning such payment;

- If the amount of payments of principal of, premium, if any, interest, if any, or other amount payable on the Securities is determined with reference to any type of formulas, indices or methods based on changes in prices or performance of particular securities, one or more securities of one or more issuers other than Crédit Agricole CIB, currencies, intangibles, goods or commodities, or any other financial, economic or other measures or instruments, including the occurrence or non-occurrence of any event or circumstance, or a combination thereof.

- any index, formula or any other method (including a method based on changes in the prices or performance of particular underlying assets; or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance), or a combination thereof, used to determine the amounts of payments of principal, premium, if any, and any interest or other amount payable on the Securities, and the manner in which those amounts will be determined;

- if the principal of, premium, if any, or any interest or other amount payable on Securities of the series is to be payable in other than or in combination with cash, securities other than equity securities of the Issuer, commodities, other property or combination thereof in which such principal, premium, if any, or any interest or other amount is so payable, and the terms and conditions (including the manner of determining the value of any such securities, commodities, other property or any combination thereof) upon which such payment is to be made;

- if the principal of, premium, if any, or any interest or other amount payable on Securities of the series are to be payable, at the election of the Issuer or a holder of Securities, in a currency other than that in which the Securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made and the time and the manner of determining the exchange rate between the Specified Currency in which the Securities are denominated or payable without such election and the Specified Currency in which the Securities are to be paid if such election is made;

- if the principal of, premium, if any, or any interest or other amount payable on the Securities are to be payable, at the election of the Issuer or a holder of Securities, in cash, securities, commodities, other property or a combination thereof (or the cash value thereof), the terms and conditions upon which such election may be made;

- if, at the election of the Issuer or a holder of Securities, the Securities are to be convertible into, or redeemable or exchangeable for, cash, securities other than equity securities of the Issuer, commodities, other property or a combination thereof (or the cash value thereof), the terms and conditions upon which such election may be made and the time and the manner of determining such conversion, redemption or exchange;

- any provisions relating to the extension of, maturity of, expiration of or the renewal of, the Securities;

- if the Securities are to be automatically convertible into, or redeemable or exchangeable for, cash, securities other than equity securities of the Issuer, commodities, other property or a combination thereof (or the cash value thereof), the terms and conditions upon which such conversion, redemption or exchange shall automatically happen and the manner of determining such conversion, redemption or exchange;

- if the Securities are to be issued as Discount Securities (as defined below), the amount of discount with which such Securities will be issued;

- any provisions granting special rights to holders of the Securities upon the occurrence of specified events;

- any modifications, deletions or additions to the Events of Default (as described below) or the Issuer's covenants with respect to the Securities;

- (i) whether (and the circumstances under which) beneficial owners of interests in permanent Global Securities may exchange their interests for Securities of like tenor of any authorized form and denomination, and (ii) the identity of any initial depositary for the Global Securities;

- the date as of which any temporary Global Security will be dated if other than the original issuance date of the first Security of that series to be issued;

- if applicable, the circumstances under which the Issuer will not pay additional amounts on any Securities held by a person who is not a United States person for tax purposes and under which the Issuer can redeem the Securities if the Issuer has to pay additional amounts;

- the federal income tax consequences, specific terms and other information with respect to the Securities and the related index or formula, securities, currencies, intangibles, goods, commodities, measure or instrument will be described in the applicable Offering Circular Supplement;

- the person to whom any interest on any registered Securities will be payable, if other than the registered holder, and the extent to which and the manner in which any interest payable on a temporary Global Security will be paid if other than as specified in the Indenture;

- the form and/or terms of certificates, documents or conditions, if any, for Securities to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series);

- if applicable, any restrictions and/or requirements for the purchase and/or transfer of the Securities of any series; and

- any other terms, conditions, rights and preferences (or limitations on rights or preferences) relating to the Securities.

The Offering Circular Supplement will also summarize the terms of the Guarantee for all series of Securities issued pursuant to this Offering Circular and any other applicable guarantees or agreements entered into or issued for the specific series of Securities covered by such Offering Circular Supplement.

The Issuer may sell Securities that are notes at a substantial discount below the stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates ("**Discount Securities**" and each a "**Discount Security**"). United States federal income tax consequences and other special considerations applicable to such Discount Securities will be described in the applicable Offering Circular Supplement.

**Guarantee**

The payments of all amounts due and the satisfaction of all delivery obligations in respect of the Securities will be unconditionally and irrevocably guaranteed by the Guarantor pursuant to the terms of a Guarantee issued by the Guarantor in regards to all series of Securities issued pursuant to this Offering Circular. The Guarantor's obligations under the Guarantee constitute unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank *pari passu* with all present and future direct, unconditional, unsecured and unsubordinated obligations of the Guarantor, except for obligations given priority by law. In the case of application of the Bail-in Power to the Securities such that the Issuer's obligations under the Securities are reduced, the payment of such obligations under the Guarantee will be correspondingly reduced. The Guarantee will also be subject to the exercise of the Bail-in Power by the Relevant Resolution Authority. See "*Risk Factors*" beginning on page 8 and "*Bail-In Power*" below for more information.

**Bail-In Power**

By its acquisition of a Security, the holder thereof will also be deemed to acknowledge, accept, consent and agree to the following:

a. to be bound by the effect of the exercise of the Bail-in Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:

    i. the reduction of all, or a portion, of the Amounts Due (as defined below);

    ii. the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer, the Guarantor or another person (and the issue to the holder of the Securities of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities and/or the Guarantee, in which case the holder of the Securities agrees to accept in lieu of its rights under the Securities and the Guarantee any such shares, other securities or other obligations of the Issuer or another person;

    iii. the cancelation of the Securities and/or the Guarantee;

    iv. the amendment of, or alteration of the maturity of or the due date under, the Securities or the Guarantee or amendment of any Amounts Due, or the date on which any Amount Due becomes payable, including by suspending payment for a temporary period;

b. that the terms of the Securities and the Guarantee are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-in Power by the Relevant Resolution Authority; and

c. that the Guarantee and any Amounts Due under the Guarantee will also be subject to the exercise of the Bail-in Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are the Principal Amount or outstanding amounts of the Securities, any accrued and unpaid Coupon on the Securities and any amounts due, payable and/or deliverable under the Guarantee.

Amounts Due include any property deliverable pursuant to the terms of the Securities or the Guarantee. References to such amounts will include amounts that have become due, payable and/or deliverable, but which have not been paid or delivered, prior to the exercise of the Bail-in Power by the Relevant Resolution Authority.

For these purposes, the "**Bail-in Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, "**BRRD**"), including without limitation pursuant to French decree-law No. 2015-1024 dated August 20, 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, the "**August 20, 2015 Decree Law**"), Regulation (EU) No 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, "**SRM**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), canceled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise.

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

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

The holder of a Security will also be deemed to acknowledge, accept, consent and agree to the following:

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

b. Neither a cancelation of the Securities and/or the Guarantee, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer and/or the Guarantor, nor the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Securities and/or the Guarantee will be an Event of Default (as defined in the Indenture) or otherwise constitute non-performance of a contractual obligation, or entitle any holder of the Securities to any remedies (including equitable remedies), which are expressly waived.

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total outstanding Principal Amount of the Securities and/or the total amounts payable and/or deliverable under the Guarantee, unless the Trustee in respect of the Securities and/or the Guarantor in respect of the Guarantee is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancelation, write-off or conversion made in respect of the Securities and/or the Guarantee pursuant to the Bail-in Power will be made on a pro-rata basis.

**Registration and Transfer**

Unless otherwise provided in the applicable Offering Circular Supplement, the Issuer will issue each series of Securities only in registered form, which are referred to as registered securities. Unless otherwise provided in the applicable Offering Circular Supplement, the Trustee will serve as the initial security registrar. The Trustee shall maintain at its office (currently 240 Greenwich Street, New York, New York 10286) a register with respect to the Issuer on which shall be entered, among other things, the name and address of the holders of the Securities and particulars of any transfers of title to the Securities. Unless otherwise provided in the applicable Offering Circular Supplement, registered securities may be presented for transfer (duly endorsed or accompanied by a written instrument of transfer, if so required by the Issuer or the security registrar) or exchanged for other Securities of the same series at the corporate trust office of the Trustee in New York City. The Issuer shall make this transfer or exchange without service charge but may require payment of any tax or other governmental charge, as described in the Indenture. A beneficial interest in a Global Security will be subject to compliance with all applicable legal and regulatory restrictions, be transferable only in the authorized denominations set out in the applicable Offering Circular Supplement and only in accordance with the rules and operating procedures of DTC and any conditions specified in the Indenture.

Unless otherwise provided in the Offering Circular Supplement, Securities of a series will trade in book-entry form, and Global Securities will be issued in physical (paper) form, as described below under "*Book-Entry Procedures*". Unless otherwise indicated in the applicable Offering Circular Supplement, Securities, other than Securities issued in global form (which may be of any denomination), will be issued only in denominations of U.S.$1,000 and integral multiples of U.S.$ 1,000 (or the equivalent in other currencies). The Offering Circular Supplement relating to Securities denominated in a foreign or composite currency will specify the denomination of the Securities.

**Payment, Paying Agents and Calculation Agent**

Unless otherwise indicated in the applicable Offering Circular Supplement, the Issuer will pay principal of, premium, if any, interest, if any, or other amount payable on the Securities and/or arrange for delivery of securities and other property, if any, deliverable on the Securities due on the Final Payment Date or expiration or upon acceleration at the corporate trust office of the Trustee in New York City, except that, at the Issuer's option, the Issuer may pay interest by mailing a check to the address of the person entitled thereto as the address appears in the security register. The Trustee in turn will remit such amount to DTC. Upon receipt in full of such amounts by DTC, the Issuer and the Guarantor will be discharged from further obligation with regard to such payments. None of the Issuer, Guarantor or any Dealer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Unless otherwise indicated in the applicable Offering Circular Supplement, Crédit Agricole CIB will act as calculation agent under the Securities pursuant to a Calculation Agency Agreement, dated as of April 22, 2008, between Credit Agricole Securities (formerly known as Calyon Securities (USA) Inc.) and Crédit Agricole CIB (formerly known as Calyon). All calculations and determinations made by the calculation agent shall (in the absence of manifest error) be final and binding.

**Consolidation, Merger and Sale of Assets**

Under the Indenture, the Issuer may consolidate or merge with or into any other corporation or other entity type, and may sell, convey, transfer or lease all or substantially all of its assets to any person without the consent of the holders of any of the Securities outstanding under the Indenture, *provided* that:

(a) the successor entity expressly assumes, by an indenture supplemental to the Indenture, the Issuer's obligation for the due and punctual payment of the principal of, premium, if any, interest, if any, and any other amount payable and/or deliverable on all of the Securities under the Indenture and the performance of every covenant of the Indenture on the Issuer's part to be performed or observed;

(b) after giving effect to the transaction, no Event of Default under the Indenture, and no event that, after notice or lapse of time, or both, would become an Event of Default, as the case may be, shall have happened and be continuing; and

(c) certain other conditions are met.

**Modification and Waiver**

The Indenture provides that the Issuer and the Trustee may modify or amend the Indenture with the consent of the holders of 66 2/3% in principal amount or notional amount of the outstanding Securities of each series affected by a particular modification or amendment issued under the Indenture; *provided*, *however*, that any modification or amendment may not, without the consent of the holder of each outstanding Security affected thereby:

(a) change the stated maturity of the principal of, or any installment of principal of, interest on or other amount payable on, or the expiration of, any Security;

(b) reduce the principal amount or notional amount of, or rate or amount of interest, if any, on, or any premium payable upon the redemption of any Security;

(c) reduce the amount of principal of any Discount Security that would be due and payable upon a declaration of acceleration of the maturity or expiration thereof or the amount provable in bankruptcy;

(d) adversely affect any right of repayment at the option of any holder of any Security;

(e) change the place or currency of payment of principal of, or any premium, interest or other amount payable on, any Security;

(f) impair the right to institute suit for the enforcement of any payment on or with respect to any Security on or after the stated maturity or expiration thereof (or, in the case of redemption or repayment at the option of the holder, on or after the redemption date or repayment date);

(g) reduce the percentage in principal amount or notional amount of outstanding Securities of any series, the consent of whose holders is required for modification or amendment of the Indenture, or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults and their consequences; or

(h) modify certain provisions of the Indenture except to increase the percentage of holders required to consent to amendment or modification thereof or to provide that certain other Indenture provisions cannot be modified or waived without the consent of the holder of each outstanding Security affected thereby.

The holders of 66 2/3% in principal amount or notional amount of the outstanding Securities of each series may, on behalf of all holders of Securities of that series, waive, insofar as that series is concerned, compliance by the Issuer with certain terms, conditions and provisions of the Indenture. The holders of not less than a majority in principal amount or notional amount of the outstanding Securities of any series may, on behalf of all holders of Securities of that series, waive any past default under the Indenture with respect to Securities of that series and its consequences, except a default in the payment of principal, premium, if any, interest, if any, or other amount payable or in respect of a covenant or provision which under the Indenture cannot be modified or amended without the consent of the holder of each outstanding Security of the affected series.

The Indenture provides that the Issuer and the Trustee may modify or amend the Indenture without the consent of the holders for the following purposes:

(a) to evidence the succession of another entity to the Issuer;

(b) to add to the covenants of the Issuer or surrender any right or power conferred upon the Issuer;

(c) to add additional events of default under the Indenture;

(d) to change or eliminate any restrictions on the payment of principal of, or any premium, interest or other amount payable on, the Securities;

(e) to change or eliminate any of the provisions of the Indenture so long as no Securities are outstanding at the time of such change or elimination;

(f) to establish the form or terms of Securities as permitted under the Indenture;

(g) to evidence and provide for the acceptance of appointment by a successor trustee and to add or change any of the provisions of the Indenture as necessary to facilitation the administration of the trusts by more than one trustee; or

(h) to cure any ambiguity, to correct or supplement any provision in the Indenture that may be defective or inconsistent with any other provision therein, or to make any other provisions with respect to matters or questions arising under the Indenture that shall not be inconsistent with any provision of the Indenture, provided such other provisions shall not adversely affect the interest of the holders of the Securities.

The Indenture provides that, in determining whether the holders of the requisite principal amount of the outstanding Securities that are notes have given any request, demand, authorization, direction, notice, consent or waiver thereunder or are present at a meeting of holders for quorum purposes (a) the principal amount of a Discount Security that may be counted in making the determination or calculation and that will be deemed to be outstanding will be the amount of principal thereof that would be due and payable as of the date of the determination upon acceleration of the maturity thereof; and (b) the principal amount of any Linked Security that may be counted in making the determination or calculation and that will be deemed outstanding for this purpose will be equal to the principal face amount of the Linked Security at original issuance, unless otherwise provided with respect to such Security.

**Regarding the Trustee**

The Bank of New York Mellon Corporation, the Trustee under the Indenture, has its principal corporate trust office at 240 Greenwich Street, New York, New York 10286. Crédit Agricole CIB and Crédit Agricole CIB's subsidiaries and/or other affiliates maintain banking or other relationships with the Trustee.

**Events of Default**

The following will be Events of Default under the Indenture with respect to the Securities of any series issued under the Indenture:

(a) failure to pay principal, premium, if any, or other final amount payable on any Security of that series, whether at scheduled maturity or expiration of such Security or by declaration of acceleration, call for redemption, repayment at the option of the holder thereof or otherwise;

(b) failure to pay any interest or other amount payable on any Security of that series when due and payable (other than an amount described in clause (a) above), which failure continues for 15 days after written notice as provided in the Indenture;

(c) failure of the Issuer to perform any of its covenants or warranties in the Indenture (other than a covenant or warranty included in the Indenture solely for the benefit of a series of Securities other than such series) or established in or pursuant to a board resolution or supplemental indenture, as the case may be, pursuant to which the Securities of such series were issued, which failure continues for 60 days after written notice as provided in the Indenture;

(d) acceleration of the Issuer's obligations in respect of any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money in an aggregate principal amount exceeding 3% of the Issuer's shareholder's equity following certain defaults by

the Issuer or its successors under such obligations, if such acceleration is not rescinded or annulled, or such obligations are not discharged, within 10 days after written notice as provided in the Indenture;

(e) certain events in bankruptcy, insolvency or reorganization involving the bankruptcy or receivership of the Guarantor or the Issuer; and

(f) any other Event of Default provided with respect to Securities of that series.

If an Event of Default with respect to Securities of any series at the time outstanding occurs and is continuing, either the Trustee or the holders of at least 25% in aggregate principal amount or notional amount of the outstanding Securities of that series may declare the principal amount (or, if the securities of that series are notes that are discount securities or indexed securities, a portion of the principal amount of such Securities as may be specified in the terms thereof) of, all accrued but unpaid interest on and any other amounts payable on all the Securities of that series to be due and payable immediately, by a written notice to the Issuer (and to the Trustee, if given by holders), and upon such a declaration such amounts shall become immediately due and payable. The Offering Circular Supplement may specify another amount and the timing of such payment payable after such a declaration. At any time after a declaration of acceleration with respect to Securities of any series has been made, but before a judgment or decree for payment of the money due has been obtained, the holders of a majority in principal amount or notional amount of outstanding Securities of that series may, under certain circumstances, rescind and annul the declaration and its consequences, if all Events of Default have been cured, or if permitted, waived, and all payments due (other than those due as a result of acceleration) have been made or provided for.

The Indenture provides that, subject to the duty of the Trustee during default to act with the required standard of care, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of Securities of any series, unless the relevant holders shall have offered to the Trustee indemnity or security satisfactory to it against the costs, expenses and liabilities which may be incurred. Subject to certain provisions, the holders of a majority in principal amount or notional amount of the outstanding Securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of that series.

**Additional Amounts**

All payments of principal, premium, interest or other amount payable in respect of the Securities or under the Guarantee will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Republic of France or the United States or any political subdivision or any authority thereof or therein having power to tax (each a "**Tax Jurisdiction**") unless such withholding or deduction is required by law. In such event, unless otherwise specified in the applicable Offering Circular Supplement, the Issuer will, to the fullest extent permitted by law in the Tax Jurisdiction, pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Securities after such withholding or deduction shall equal the respective amounts of principal, premium, interest or other amounts which would otherwise have been receivable in respect of the Securities in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Security: (i) presented for payment in France; (ii) presented for payment by or on behalf of a holder or beneficial owner that is liable for such taxes or duties in respect of such Security (or sums payable under such Security) by reason of such holder or beneficial owner having some connection, whether present or former, with a Tax Jurisdiction other than by reason only of the holding of such Security; (iii) presented for payment more than 30 days after the date on which such payment first becomes due, or, if later, the date on which the full amount of the moneys payable has been duly received by the paying agent, except to the extent that such taxes or duties would have been imposed and the holder thereof would otherwise have been entitled to an additional amount on presenting the same for payment on the last day of such 30 day or later period; (iv) where such withholding or deduction would not have been imposed but for the failure of such holder or beneficial owner to comply with any requirement under the income tax treaties, statutes and regulations or administrative practice of the Tax Jurisdiction to establish entitlement to exemption from or reduction in such taxes or duties; (v) where such withholding or deduction is for any estate, inheritance, gift, sales, transfer, personal property or similar taxes or duties of the Tax Jurisdiction; (vi) where such taxes or duties are payable otherwise than by withholding or deduction from payments of principal, premium, interest or other amounts

on such Security; (vii) in relation to any payment to any holder that is a fiduciary or partnership or any person other than the sole beneficial owner of such Security, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such Security would not have been entitled to the additional amount had such beneficiary, settlor, member or beneficial owner been the actual holder of such Security; (viii) for any and all taxes or duties imposed or withheld in respect of any payment to the extent the amount of such taxes or duties exceeds the aggregate amount of all taxes and duties that would be imposed or withheld in respect of such payment, and that would entitle such holder to a payment of additional amounts, if such holder were (A) resident solely in the United States for purposes of the tax laws of the Tax Jurisdiction and (B), as long as the Republic of France is the Tax Jurisdiction, (1) a resident of the United States within the meaning of Article 4 of the income tax treaty entered into between France and the United States on August 13, 1994, as amended (and existing legal interpretations thereunder), and not subject to any limitation of benefits under Article 30 of such treaty and (2) acting from outside the Republic of France in connection with the purchase and holding of the Securities; or (ix) any combination of clauses (i) through (ix) above.

**Redemption for Tax Reasons**

Except as otherwise specified in the applicable Offering Circular Supplement, if the Issuer determines in its sole discretion that it is likely that the Issuer or Guarantor has or will become obliged to pay additional amounts as provided in "*Description of the Securities—Additional Amounts*" as a result of (i) any change in, or amendment to, or any official proposal to change or amend, the laws or regulations of a Tax Jurisdiction, (ii) any change or amendment in the official application or interpretation of such laws, including any official proposal for such a change or amendment, or (iii) any change or amendment in the informal interpretation of such laws, which change, amendment or proposal is announced or becomes effective on or after the date of the Indenture, then the Issuer may at its option redeem all, but not less than all, of the Securities in accordance with the provisions of the Indenture.

Except as otherwise specified in the applicable Offering Circular Supplement, if the Issuer determines in its sole discretion that it is likely that the Issuer or Guarantor would be prevented by law of a Tax Jurisdiction from making payment to the Holders of the Securities of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts as provided in "*Description of the Securities—Additional Amounts*", then the Issuer may at its option redeem all, but not less than all, of the Securities in accordance with the provisions of the Indenture.

**Ranking**

The Securities will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer, except for obligations given priority by law.

**Ratings**

The portion of the Program relating to notes (the "**Note Program**") will have the ratings described in the Offering Circular Supplement relating to an offering of notes. These will be the credit ratings of the Note Program, and not of the relevant notes. These credit ratings relate only to the creditworthiness of the Guarantor, do not affect or enhance the performance of the notes and are not indicative of the risks associated with the notes. A rating is not a recommendation to buy, sell or hold notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. None of the rating agencies, the Issuer or Guanrator is obligated to provide you with any notice of any suspension, change or withdrawal of any rating.

Neither the portion of the Program relating to warrants nor any particular warrants will be rated by a rating agency.

**Replacement Securities**

Unless otherwise provided for in the applicable Offering Circular Supplement, if a Security of any series is mutilated, destroyed, lost or stolen, it may be replaced at the corporate trust office of the Trustee in the City and State of New York upon payment by the holder of expenses that the Issuer and the Trustee may incur in connection

therewith and the furnishing of evidence and indemnity as the Issuer and the Trustee may require. Mutilated Securities must be surrendered before new Securities will be issued.

**Notices**

Unless otherwise provided in the applicable Offering Circular Supplement, any notice required to be given to a holder of a Security of any series that is a registered security will be mailed, first-class postage prepaid, to the last address of the holder set forth in the applicable security register, and any notice so mailed shall be deemed to have been given on the date of the mailing of such notice and received by the holder, whether or not the holder actually receives the notice.

Notwithstanding the foregoing, the Indenture provides that, in the case of Global Securities, there may be substituted for such mailing of notice the delivery of the relevant notice to DTC for communication by it to the holders of interests in the relevant Securities.

**Governing Law**

The Securities will be governed by and construed in accordance with the laws of the State of New York.

# BOOK ENTRY PROCEDURES

Unless otherwise indicated in the Offering Circular Supplement with respect to any series of offered Securities, upon issuance, all offered Securities will be represented by one or more global Securities (the "**Global Security**"). The Global Security will be deposited with, or on behalf of, The Depository Trust Company ("**DTC**") or the "**Depositary**") and registered in the name of Cede & Co. (the Depositary's partnership nominee). Unless and until exchanged in whole or in part for offered Securities in definitive form, no Global Security may be transferred except as a whole by (i) the Depositary to a nominee of such Depositary, (ii) by a nominee of such Depositary to such Depositary or another nominee of such Depositary or (iii) by such Depositary or any such nominee to a successor of such Depositary or a nominee of such successor.

So long as the Depositary, or its nominee, is a registered owner of a Global Security, the Depositary or its nominee, as the case may be, will be considered the sole owner or holder of offered Securities represented by such Global Security for all purposes under the Indenture or other governing documents. Except as provided below, the actual owners of offered Securities represented by a Global Security (the "**Beneficial Owner**") will not be entitled to have the offered Securities represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of the offered Securities in definitive form and will not be considered the owners or holders thereof under the Indenture or other governing documents. Accordingly, each person owning a beneficial interest in a Global Security must rely on the procedures of the Depositary and, if such person is not a participant of the Depositary (a "**Direct Participant**"), on the procedures of the Direct Participant through which such person owns its interest, to exercise any rights of a holder under the Indenture. The Issuer understands that under existing industry practices, in the event that the Issuer requests any action of holders or that an owner of a beneficial interest that a holder is entitled to give or take under the Indenture or other governing documents, the Depositary would authorize the Participants holding the relevant beneficial interests to give or take such action, and such Direct Participants would authorize Beneficial Owners owning through such Direct Participants to give or take such action or would otherwise act upon the instructions of Beneficial Owners. Conveyance of notices and other communications by the Depositary to Direct Participants, by Direct Participants to Indirect Participants, as defined below, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The following is based on information furnished by DTC:

DTC will act as securities depositary for the Securities. The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One or more fully registered Global Securities will be issued for each issuance of the Securities in the aggregate principal amount or notional amount of such issue, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). DTC holds securities that its Direct Participants deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants of DTC include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). The DTC rules applicable to its Participants are on file with the SEC.

Purchases of Securities under DTC's system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded

on the records of the Direct Participants and Indirect Participants. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participants or Indirect Participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Securities are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Securities, except in the limited circumstances that may be provided in the Indenture or other governing documents.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities. DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the applicable record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts securities are credited on the applicable record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Securities will be made in immediately available funds to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee, on the applicable payment date in accordance with their respective holdings shown on the DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Any payment due to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) on behalf of Beneficial Owners is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as securities depositary with respect to the Securities at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depositary is not obtained, Security certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depositary). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from publicly available information, which is subject to change. The Issuer has not conducted any independent review or due diligence of any publicly abailable information concerning DTC or DTC's book-entry system. More information about DTC and DTC's book-entry system can be found at its website dtcc.com.

## MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

**The following discussion summarizes the material U.S. federal income tax consequences to U.S. Holders of the purchase, beneficial ownership and disposition of Securities. The U.S. federal income tax consequences of an investment in the Securities are uncertain. There are no statutory provisions, regulations, published rulings or judicial decisions addressing the characterization for U.S. federal income tax purposes of how certain Securities should be treated for U.S. federal income tax purposes and we do not plan to request a ruling from the Internal Revenue Service (the "IRS"). The following is a general description of certain material U.S. federal income tax consequences of the ownership and disposition of the Securities and does not purport to be a complete analysis of all tax considerations relating to the Securities. This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), final, temporary and proposed Treasury regulations, rulings and decisions, in each case, as available and in effect as of the date of this document, all of which are subject to change, possibly with retroactive effect. Tax consequences under state, local and non-U.S. laws are not addressed herein. The applicable supplement will contain a further discussion of the U.S. federal income tax consequences applicable to that offering of Securities, which may differ from the discussion herein. The summary of the U.S. federal income tax consequences contained in the applicable offering circular supplement supersedes the following summary to the extent it is inconsistent therewith. Prospective purchasers of the Securities are urged to read the discussion in the applicable supplements relating to their Securities and to consult their tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the federal, state, and local tax laws of the U.S. of acquiring, holding and disposing of the Securities and receiving payments of interest, principal and/or other amounts, in each case as applicable, under the Securities. The discussion herein does not address the consequences to taxpayers subject to the special tax accounting rules under Section 451(b) of the Code.**

This discussion applies to investors that acquire the Securities upon initial issuance and hold the Securities as capital assets, as defined under Section 1221 of the Code, for U.S. federal income tax purposes. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a holder in light of its particular circumstances, including alternative minimum tax consequences and does not address the different tax consequences that apply to holders that are members of a class of holders subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for its securities holdings;
- a financial institution or a bank;
- a regulated investment company (a **"RIC"**), real estate investment trust or a common trust fund;
- a life insurance company;
- small business companies or S corporations;
- a tax-exempt organization including an "individual retirement account" or "Roth IRA", as defined in Section 408 or 408A of the Code, respectively;
- a person that owns Securities as part of a hedging transaction, straddle, synthetic security, conversion transaction, or other integrated transaction, or enters into a "constructive sale" with respect to the Securities or a "wash sale" with respect to the Securities or any underlying asset(s);
- a former citizen or resident of the U.S.;
- a U.S. Holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar; or
- "controlled foreign corporations" or "passive foreign investment companies" ("**PFICs**").

Prospective investors considering the purchase of a Security should consult their tax advisors concerning the application of the U.S. federal income tax laws to their particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. jurisdictions.

Except as discussed under "—Non-U.S. Holders" below, this discussion is only applicable to U.S. holders. For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Security that is:

- an individual who is a citizen or a resident of the U.S. for U.S. federal income tax purposes;
- a domestic corporation or other entity that is treated as a corporation for U.S. federal income tax purposes and is created or organized in or under the laws of the U.S. or any political subdivision thereof;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the U.S. is able to exercise primary supervision over its administration, and one or more U.S. persons for U.S. federal income tax purposes have the authority to control all substantial decisions of the trust.

For purposes of this summary, a "**Non-U.S. Holder**" is a beneficial owner of a Security that is:

- a nonresident alien individual for U.S. federal income tax purposes;
- a foreign corporation for U.S. federal income tax purposes; or
- an estate or trust whose income is not subject to U.S. federal income tax on a net income basis.

An individual may, subject to certain exceptions, be deemed to be a resident of the U.S. for U.S. federal income tax purposes by reason of being present in the U.S. for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one third of the days present in the immediately preceding year, and one sixth of the days present in the second preceding year).

If a partnership, or any entity treated as a partnership for U.S. federal income tax purposes, holds the Securities, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Securities should consult its tax advisor with regard to the U.S. federal income tax treatment of an investment in the Securities.

This discussion does not address all the U.S. federal income tax consequences of the ownership or disposition of any underlying asset or other property that a holder may receive on the Final Payment Date or otherwise pursuant to the terms of certain offerings of the Securities and each holder should consult its tax advisor regarding the potential U.S. federal income tax consequences of the ownership and disposition of any such underlying asset or other property.

***For purposes of the discussion below, references to the "Securities", means an offering of Securities for which the applicable Offering Circular Supplement states that the treatment of such Securities is the treatment discussed under the relevant subheading. The applicable Offering Circular Supplement may indicate other issues applicable to a particular Security.***

**U.S. Federal Income Tax Treatment of the Securities as Indebtedness for U.S. Federal Income Tax Purposes**

The Issuer may treat certain offerings of the Securities as indebtedness for U.S. federal income tax purposes. The applicable supplement will indicate whether we intend to treat a Security as indebtedness for U.S. federal income tax purposes. This section describes the principal U.S. federal income tax consequences of the purchase, beneficial ownership and disposition of a Security that we intend to treat as indebtedness for U.S. federal income tax purposes.

*Payments of Interest*

Unless otherwise indicated in the applicable Offering Circular Supplement, and except as described below, interest on a Security will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's normal method of accounting for tax purposes. Rules governing the treatment of Securities issued at an original issue discount are described under "*—Original Issue Discount*" below.

*Original Issue Discount*

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Securities having original issue discount ("**OID**").

A Security will have OID for U.S. federal income tax purposes if its "issue price" is less than its "stated redemption price at maturity" by more than a de minimis amount, as discussed below, and it has a term of more than one year.

The issue price of a Security is generally the first price at which a substantial amount of the "issue" of Securities is sold to the public for money (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers), excluding pre-issuance accrued interest (as discussed below under "*—Pre-Issuance Accrued Interest*").

The "stated redemption price at maturity" of a Security is generally the total amount of all payments provided by the Security other than "qualified stated interest" payments.

Qualified stated interest is generally stated interest that is "unconditionally payable" in cash or property (other than debt instruments of the Issuer) at least annually either at a single fixed rate, or a "qualifying variable rate" (as described below). Qualified stated interest is taxable to a U.S. Holder when accrued or received in accordance with the U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

Interest is considered unconditionally payable only if reasonable legal remedies exist to compel timely payment or the Security otherwise provides terms and conditions that make the likelihood of late payment (other than a late payment within a reasonable grace period) or non-payment a remote contingency. Interest is payable at a single fixed rate only if the rate appropriately takes into account the length of the interval between stated interest payments. Thus, if the interval between payments varies during the term of the instrument, the value of the fixed rate on which payment is based generally must be adjusted to reflect a compounding assumption consistent with the length of the interval preceding the payment.

Securities having "de minimis OID" generally will be treated as not having OID unless a U.S. Holder elects to treat all interest on the Security as OID. See "*—Election to Treat All Interest and Discount as Original Issue Discount (Constant Yield Method)*." A Security will be considered to have "de minimis OID" if the difference between its stated redemption price at maturity and its issue price is less than the product of 0.25 percent of the stated redemption price at maturity and the number of complete years from the issue date to maturity (or the weighted average maturity in the case of a Security that provides for payment of an amount other than qualified stated interest before maturity).

U.S. Holders of Securities having OID will be required to include OID in gross income for U.S. federal income tax purposes as it accrues (regardless of the U.S. Holders' method of accounting), which may be in advance of receipt of the cash attributable to such income. OID accrues under the constant yield method, based on a compounded yield to maturity, as described below. Accordingly, U.S. Holders of Securities having OID will generally be required to include in income increasingly greater amounts of OID in successive accrual periods.

The annual amount of OID includible in income by the initial U.S. Holder of a Security having OID will equal the sum of the "daily portions" of the OID with respect to the Security for each day on which the U.S. Holder held the Security during the taxable year. Generally, the daily portions of OID are determined by allocating to each day in an "accrual period" the ratable portion of OID allocable to the accrual period. The term accrual period means an interval of time with respect to which the accrual of OID is measured, and which may vary in length over the term of the Security provided that each accrual period is no longer than one year and each scheduled payment of principal, interest, or any other amount occurs on either the first or last day of an accrual period.

The amount of OID allocable to an accrual period will be the excess of:

- the product of the "adjusted issue price" of the Security at the commencement of the accrual period and its "yield to maturity", over

- the amount of any qualified stated interest payments allocable to the accrual period.

The adjusted issue price of a Security at the beginning of the first accrual period is its issue price and, on any day thereafter, it is the sum of the issue price and the amount of OID previously includible in the gross income of the U.S. Holder (without regard to any "acquisition premium" as described below), reduced by the amount of any payment other than a payment of qualified stated interest previously made on the Security. If an interval between payments of qualified stated interest contains more than one accrual period, the amount of qualified stated interest that is payable at the end of the interval (including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval) is allocated on a *pro-rata* basis to each accrual period in the interval, and the adjusted issue price at the beginning of each accrual period in the interval is increased by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but is not payable until the end of the interval. The yield to maturity of a Security is the yield to maturity computed on the basis of compounding at the end of each accrual period properly adjusted for the length of the particular accrual period. If all accrual periods are of equal length except for a shorter initial and/or final accrual period(s), the amount of OID allocable to the initial period may be computed using any reasonable method; however, the OID allocable to the final accrual period will always be the difference between the amount payable on the Final Payment Date (other than a payment of qualified stated interest) and the adjusted issue price at the beginning of the final accrual period.

*Pre-Issuance Accrued Interest*

If (i) a portion of the initial purchase price of a Security is attributable to pre-issuance accrued interest, (ii) the first stated interest payment on the Security is to be made within one year of the Security's issue date, and (iii) the payment will equal or exceed the amount of pre-issuance accrued interest, then the U.S. Holder may compute the issue price of the Security by subtracting the amount of the pre-issuance accrued interest. In that event, a portion of the first stated interest payment will be treated as a return of the excluded pre-issuance accrued interest and not as an amount payable on the Security.

*Securities Subject to Call or Put Options*

For purposes of calculating the yield and maturity of a Security subject to an option, in general, a call option held by the Issuer is presumed exercised if, upon exercise, the yield on the Security would be less than it would have been had the option not been exercised, and a put option held by a U.S. Holder is presumed exercised if, upon exercise, the yield on the Security would be more than it would have been had the option not been exercised. The effect of this rule generally may accelerate or defer the inclusion of OID in the income of a U.S. Holder whose Security is subject to a put option or a call option, as compared to a Security that does not have such an option. If any option that is presumed to be exercised is not in fact exercised, the Security will be treated as reissued solely for purposes of the OID rules on the date of presumed exercise for an amount equal to its adjusted issue price on that date. The deemed reissuance will have the effect of redetermining the Security's yield and maturity for OID purposes and any related subsequent accruals of OID.

*Securities With a Payment Schedule That is Significantly More Likely Than Not to Occur*

If (1) a Security provides for alternative payment schedules applicable upon the occurrence of one or more contingencies, (2) the timing and amounts of the payments that comprise each payment schedule on a Security are known as of the issue date, and (3) it is determined that one of the payment schedules is significantly more likely than not to occur, then that Security may be subject to special rules under which a U.S. Holder must determine the yield and maturity of the Security by assuming that the payments will be made according to the payment schedule most likely to occur. The applicable offering circular supplement will indicate whether the Issuer intends to treat a Security as subject to these special rules.

*Securities Purchased at a Market Discount and Premium*

If a U.S. Holder purchases a Security, other than a CPDI or a Short-Term Security, for an amount that is less than its stated redemption price at maturity or, in the case of a Security having OID, less than its revised issue price (which is the sum of the issue price of the Security and the aggregate amount of the OID previously includible in the gross income of any holder (without regard to any acquisition premium)), the amount of the difference generally will be treated as market discount for U.S. federal income tax purposes. (It is possible that a U.S. Holder may purchase a Security at original issuance for an amount that is different than its issue price.) The amount of any market discount generally will be treated as de minimis and disregarded if it is less than the product of 0.25 percent of the stated redemption price at maturity of the Security and the number of complete years to maturity (or the weighted average maturity in the case of a Security paying any amount other than qualified stated interest prior to maturity).

Under the market discount rules, a U.S. Holder is required to treat any principal payment on (or, in the case of a Security having OID, any payment that does not constitute qualified stated interest), or any gain on the taxable disposition of, a Security as ordinary income to the extent of any accrued market discount that has not previously been included in income. If the Security is disposed of in a nontaxable transaction (other than certain specified nonrecognition transactions), accrued market discount will be includible as ordinary income to the U.S. Holder as if the U.S. Holder had sold the Security at its then fair market value. In addition, the U.S. Holder may be required to defer, until the maturity of the Security or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness incurred or continued to purchase or carry the Security.

Market discount accrues ratably during the period from the date of acquisition to the maturity of a Security, unless the U.S. Holder elects to accrue it under the constant yield method. A U.S. Holder of a Security may elect to include market discount in income currently as it accrues (either ratably or under the constant yield method), in which case the rule described above regarding deferral of interest deductions will not apply. The election to include market discount currently applies to all market discount obligations acquired during or after the first taxable year to which the election applies, and may not be revoked without the consent of the IRS. If an election is made to include market discount in income currently, the basis of the Security in the hands of the U.S. Holder will be increased by the market discount thereon as it is included in income.

A U.S. Holder that purchases a Security having OID, other than a CPDI or a Short-Term Security, for an amount exceeding its "adjusted issue price" (which is described above under "*—Original Issue Discount*") and less than or equal to the sum of all remaining amounts payable on the Security other than payments of qualified stated interest will be treated as having purchased the Security with acquisition premium. The amount of OID which the U.S. Holder must include in gross income with respect to such Security will be reduced in the proportion that the excess bears to the OID remaining to be accrued as of the Security's acquisition and ending on the stated maturity date. Rather than apply the above fraction, the U.S. Holder that, as discussed below, elects to treat all interest as OID would treat the purchase at an acquisition premium as a purchase at an original issuance and calculate OID accruals on a constant yield to maturity, as further discussed below under "*—Election to Treat All Interest and Discount as Original Issue Discount (Constant Yield Method)*".

A U.S. Holder that acquires a Security, other than a CPDI or a Short-Term Security, for an amount that is greater than the sum of all remaining amounts payable on the Security other than payments of qualified stated interest will be treated as having purchased the Security at a bond premium, and will not be required to include any OID in income. A U.S. Holder generally may elect to amortize bond premium. The election to amortize bond premium must be made with a timely-filed federal income tax return for the first taxable year to which the U.S. Holder wishes the election to apply.

If bond premium is amortized, the amount of interest that must be included in the U.S. Holder's income for each period ending on an interest payment date or on stated maturity, as the case may be, will be reduced by the portion of bond premium allocable to such period based on the Security's yield to maturity (or, in certain circumstances, until an earlier call date) determined by using the U.S. Holder's adjusted tax basis in the Security, compounding at the close of each accrual period. If the bond premium allocable to an accrual period is in excess of qualified stated interest allocable to that period, the excess may be deducted to the extent of prior income inclusions and is then carried to the next accrual period and offsets qualified stated interest in such period. If you elect to amortize bond premium, you must reduce your basis in the Securities by the amount of the premium amortized in any year. If an election to amortize bond premium is not made, a U.S. Holder must include the full amount of each interest payment

in income in accordance with its regular method of accounting and will receive a tax benefit from the premium only in computing its gain or loss upon the taxable disposition or payment of the principal amount of the Security.

An election to amortize bond premium will apply to amortizable bond premium on all Securities and other bonds, the interest on which is includible in the U.S. Holder's gross income, held at the beginning of the U.S. Holder's first taxable year to which the election applies or thereafter acquired, and may be revoked only with the consent of the IRS. The election to treat all interest as OID is treated as an election to amortize premium. Special rules may apply if a Security is subject to a call prior to maturity at a price in excess of its stated redemption price at maturity.

*Election to Treat All Interest and Discount as Original Issue Discount (Constant Yield Method)*

A U.S. Holder of a Security may elect to include in income all interest and discount (including *de minimis* OID and *de minimis* market discount), as adjusted by any premium with respect to the Security, based on a constant yield method, which is described above under "*—Original Issue Discount*." The election is made for the taxable year in which the U.S. Holder acquired the Security, and it may not be revoked without the consent of the IRS. If such election is made with respect to a Security having market discount, the U.S. Holder will be deemed to have elected currently to include market discount on a constant yield basis with respect to all debt instruments having market discount acquired during the year of election or thereafter. If made with respect to a Security having amortizable bond premium, the U.S. Holder will be deemed to have made an election to amortize premium generally with respect to all debt instruments having amortizable bond premium held by the U.S. Holder during the year of election or thereafter.

***Variable Rate Debt Instruments***

A Security that qualifies as a "variable rate debt instrument" will be subject to the rules described below and will not be treated as a "contingent payment debt instrument" described in the following section. A Security will be treated as a variable rate debt instrument if:

- the issue price of the Security does not exceed the total amount of noncontingent principal payments on the Security by more than the product of such principal payments and the lesser of (i) 15 percent or (ii) the product of 1.5 percent and the number of complete years in the Security's term (or its weighted average maturity in the case of a Security that is an installment obligation), and

- the Security does not provide for any stated interest other than stated interest paid or compounded at least annually at a qualifying variable rate which is (i) one or more "qualified floating rates," (ii) a single fixed rate and one or more qualified floating rates, (iii) a "single objective rate," or (iv) a single fixed rate and a single objective rate that is a "qualified inverse floating rate" (each as described below).

For purposes of determining if a Security is a variable rate debt instrument, a qualified floating rate is a variable rate whose variations can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the debt instrument is denominated and is set at a "current rate." A qualified floating rate (or objective rate, as described below) must be set at a current value of that rate. A current value is the value of the variable rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that day.

A multiple of a qualified floating rate is generally not a qualified floating rate, unless the variable rate is either:

- a product of a qualified floating rate times a fixed multiple greater than 0.65 but not more than 1.35, or

- a product of a qualified floating rate times a fixed multiple greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate.

Certain combinations of rates are treated as a single qualified floating rate, including (i) interest stated at a fixed rate for an initial period of one year or less followed by a qualified floating rate (or objective rate) if the value of the floating rate at the issue date is intended to approximate the fixed rate, and (ii) two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Security. A

combination of these rates is generally treated as a single qualified floating rate if the values of all rates on the issue date are within 0.25 percentage points of each other. A variable rate that is subject to an interest rate cap, floor, governor or similar restriction on rate adjustment is treated as a qualified floating rate only if the restriction is fixed throughout the term of the Security, and is not reasonably expected as of the issue date to cause the yield on the Security to differ significantly from its expected yield absent the restriction.

An objective rate is defined as a rate (other than a qualified floating rate) that is determined using a single fixed formula and that is based on objective financial or economic information (other than a rate based on information that is within the control of the Issuer or an affiliate or that is unique to the circumstances of the Issuer or an affiliate). The IRS may designate other variable rates that will be treated as objective rates. However, a variable rate is not an objective rate if it is reasonably expected that the average value of the rate during the first half of the Security's term will differ significantly from the average value of such rate during the final half of its term. A combination of a fixed rate of stated interest for an initial period of one year or less followed by an objective rate is treated as a single objective rate if the value of the objective rate at the issue date is intended to approximate the fixed rate; such a combination of rates is generally treated as a single objective rate if the objective rate on the issue date does not differ from the fixed rate by more than 0.25 percentage points. An objective rate is a qualified inverse floating rate if it is equal to a fixed rate reduced by a qualified floating rate, the variations in which can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate (disregarding permissible rate caps, floors, governors and similar restrictions as those discussed above).

If a Security is a variable rate debt instrument, special rules apply to determine the amount of qualified stated interest and the amount and accrual of any OID. If the Security bears interest that is unconditionally payable at least annually at a single qualified floating rate or objective rate, all stated interest is treated as qualified stated interest. The accrual of any OID is determined by assuming the Security bears interest at a fixed interest rate equal to the issue date value of the qualified floating rate or qualified inverse floating rate or, in the case of any other objective rate, a fixed internal rate that is equal to the reasonably expected yield for the Security. The qualified stated interest allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest assumed to be paid during the accrual period.

If the Security bears interest at a qualifying variable rate other than a single qualified floating rate or objective rate, the amount and accrual of OID generally are determined by (i) determining a fixed rate substitute for each variable rate as described in the preceding paragraph, (ii) determining the amount of qualified stated interest and OID by assuming the Security bears interest at those substitute fixed rates and (iii) making appropriate adjustments to the qualified stated interest and OID so determined for actual interest rates under the Security. However, if that qualifying variable rate includes a fixed rate, the Security is generally treated for purposes of applying clause (i) of the preceding sentence as if it provided for an assumed qualified floating rate (or qualified inverse floating rate if the actual variable rate is a qualified inverse floating rate) that would cause the Security to have approximately the same fair market value, and the rate is used in lieu of the fixed rate.

Securities bearing interest at a variable rate and having a term in excess of one year (i) that do not bear interest at a qualifying variable rate, (ii) that have contingent principal payments or (iii) that have an issue price that exceeds the noncontingent principal payments by more than the allowable amount are treated as "contingent payment debt instruments," as described below.

***Contingent Payment Debt Instruments***

Securities that provide for a variable rate of interest but that do not qualify as variable rate debt instruments are treated as contingent payment debt instruments ("**CPDIs**"). If a CPDI is issued for cash or publicly traded property, OID is determined and accrued under the "noncontingent bond method."

Under the noncontingent bond method, for each accrual period, U.S. Holders of the Securities accrue OID equal to the product of (i) the "comparable yield" (adjusted for the length of the accrual period) and (ii) the "adjusted issue price" of the Securities at the beginning of the accrual period. This amount is ratably allocated to each day in the accrual period and is includible as ordinary interest income by a U.S. Holder for each day in the accrual period on which the U.S. Holder holds the CPDI, whether or not the amount of any payment is fixed or determinable in the taxable year. Thus, the noncontingent bond method may result in recognition of income prior to the receipt of cash.

In general, the comparable yield of a CPDI is equal to the yield at which the Issuer would issue a fixed rate debt instrument with terms and conditions similar to those of the CPDI, including level of subordination, term, timing of payments, and general market conditions. For example, if a hedge of the CPDI is available that, if integrated with the CPDI, would produce a "synthetic debt instrument" with a specific yield to maturity, the comparable yield will be equal to the yield of the synthetic debt instrument. However, if such a hedge is not available, but similar fixed rate debt instruments of the Issuer are traded at a price that reflects a spread above a benchmark rate, the comparable yield is the sum of the benchmark rate on the issue date and the spread. The applicable Offering Circular Supplement will either provide such comparable yield, or the name or title and address or telephone number of a representative of the Issuer who will provide such comparable yield.

The adjusted issue price at the beginning of each accrual period is generally equal to the issue price of the Security plus the amount of OID previously includible in the gross income of the U.S. Holder less any noncontingent payment and the projected amount of any contingent payment contained in the projected payment schedule (as described below) previously made on the CPDI. If a Security provides for noncontingent payments that exceed the amount that a U.S. Holder would be required to accrue (without regard to any negative or positive adjustments), the Issuer intends to treat the excess as a nontaxable return of principal that will, in turn, reduce the "adjusted issue price" of the Securities.

In addition to the determination of a comparable yield, the noncontingent bond method requires the construction of a projected payment schedule. The projected payment schedule includes all noncontingent payments, and projected amounts for each contingent payment to be made under the CPDI that are adjusted to produce the comparable yield. The applicable Offering Circular Supplement will either provide such projected payment schedule, or the name or title and address or telephone number of a representative of the Issuer who will provide such projected payments schedule. The projected payment schedule remains fixed throughout the term of the CPDI. A U.S. Holder is required to use the Issuer's projected payment schedule to determine its interest accruals and adjustments, unless the U.S. Holder determines that the Issuer's projected payment schedule is unreasonable, in which case the U.S. Holder must disclose its own projected payment schedule in connection with its U.S. federal income tax return and the reason(s) why it is not using the Issuer's projected payment schedule. **Neither the comparable yield nor the projected payment schedule constitutes a representation by us regarding the actual contingent amount(s) that we will pay on a Security.**

If the actual amounts of contingent payments are different from the amounts reflected in the projected payment schedule, a U.S. Holder is required to make adjustments in its OID accruals under the noncontingent bond method described above when those amounts are paid. Adjustments arising from contingent payments that are greater than the assumed amounts of those payments are referred to as "positive adjustments"; adjustments arising from contingent payments that are less than the assumed amounts are referred to as "negative adjustments." Positive and negative adjustments are netted for each taxable year with respect to each Security. Any net positive adjustment for a taxable year is treated as additional OID income of the U.S. Holder. Any net negative adjustment reduces any OID on the Security for the taxable year that would otherwise accrue. Any excess is then treated as a current-year ordinary loss to the U.S. Holder to the extent of OID accrued in prior years. A net negative adjustment is not subject to the limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. The balance, if any, is treated as a negative adjustment in subsequent taxable years and, to the extent that it has not previously been taken into account, reduces the amount realized upon a taxable disposition of the Security.

If all or a portion of the U.S. Holder's payment on the Final Payment Date becomes fixed and determinable at any time more than six months prior to the maturity date, a U.S. Holder may be required to take into account a positive or negative adjustment on the date the payment becomes fixed and determinable. If the payment on the maturity date is certain to be greater than the contingent payment for the maturity date that is reflected on the projected payment schedule, the U.S. Holder may be required to treat the difference between the net present value of the payment that is certain to be paid on the maturity date and the net present value of the contingent payment for the maturity date that is reflected on the projected payment schedule (each net present value determined by discounting the amount to the date on which the payment on the Final Payment Date becomes fixed) as a positive adjustment that is recognized on that date. In this event, if that date is prior to the taxable year that includes the maturity date, the taxable amount will exceed the amount that would have been included in income in the year had the positive adjustment not occurred and will exceed the cash payments on the Security in that year. In addition, in this event, the projected contingent payment for the maturity date that is reflected in the projected payment schedule will be increased by the

absolute difference between the payment that is certain to be paid on the maturity date and the contingent payment for the maturity date that is reflected on the projected payment schedule. If, on the other hand, the payment that is certain to be paid on the maturity date is less than the contingent payment for the maturity date that is reflected on the projected payment schedule, then a U.S. Holder may be permitted to treat the difference between the net present value of the payment that is certain to be paid on the maturity date and the net present value of the contingent payment for the maturity date that is reflected on the projected payment schedule (each net present value determined by discounting the amount to the date on which the payment on the Final Payment Date becomes fixed) as a negative adjustment that is recognized on that date, treated as described above. In addition, in this event, the projected contingent payment for the maturity date that is reflected in the projected payment schedule would be decreased by the absolute difference between the payment that is certain to be paid on the maturity date and the contingent payment that is reflected in the projected payment schedule. However, the ability of U.S. Holders to claim the ordinary loss is not free from doubt.

In general, a U.S. Holder's basis in a CPDI is increased by the projected contingent payments accrued by the holder under the projected payment schedule (as determined without regard to adjustments made to reflect differences between actual and projected payments) and reduced by the amount of any non-contingent payments and the projected amount of any contingent payments previously made. Gain on the taxable disposition of a CPDI generally is treated as ordinary income. Loss, on the other hand, is treated as ordinary only to the extent of the U.S. Holder's prior net OID inclusions (*i.e.*, reduced by the total net negative adjustments previously allowed to the U.S. Holder as an ordinary loss) and capital to the extent in excess thereof. As with net negative adjustments, these ordinary losses are not subject to the limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. However, the deductibility of a capital loss realized on the taxable disposition of a Security is subject to limitations.

A U.S. Holder that purchases a Security for an amount other than the issue price of the Security will be required to adjust its OID inclusions to account for the difference. These adjustments will affect the U.S. Holder's basis in the Security. Reports to U.S. Holders may not include these adjustments. U.S. Holders that purchase Securities at other than the issue price should consult their tax advisors regarding these adjustments.

Prospective investors should consult their own tax advisors with respect to the application of the CPDI provisions to Securities.

*Short-Term Securities*

A Security treated as indebtedness for U.S. federal income tax purposes that has a maturity of one year or less from the date of its issuance is a "**Short-Term Security**". A Short-Term Security will be acquired with "acquisition discount" equal to all payments under the Security over the U.S. Holder's basis in the Short-Term Security. U.S. Holders that report income for U.S. federal income tax purposes on the accrual method and certain other holders are required to include OID (equal to the difference between all payments on the Short-Term Security over its issue price) in income or, if the U.S. Holder elects, acquisition discount with respect to a Short-Term Security. OID or acquisition discount on Short-Term Securities is accrued on a straight-line basis, unless an irrevocable election with respect to the Short-Term Security is made to accrue the OID or acquisition discount under the constant yield method based on daily compounding.

In general, an individual or other cash method U.S. Holder of a Short-Term Security is not required to accrue OID or acquisition discount with respect to the Short-Term Security unless the U.S. Holder elects to do so. This election applies to all Short-Term Securities acquired by the U.S. Holder during the first taxable year for which the election is made, and all subsequent taxable years of the U.S. Holder, unless the IRS consents to a revocation. In the case of a U.S. Holder that is not required and does not elect to include OID in income currently, any gain realized on the taxable disposition of a Short-Term Security is treated as ordinary income to the extent of the OID which had accrued on a straight-line basis (or, if elected, under the constant yield method based on daily compounding) through the date of taxable disposition, and the U.S. Holder will be required to defer deductions for any interest paid on indebtedness incurred or continued to purchase or carry such Short-Term Securities in an amount not exceeding the accrued OID (determined on a ratable basis, unless the U.S. Holder elects to use a constant yield basis) on the Short-Term Security, until the OID is recognized.

In general, the treatment of accrual method U.S. Holders and cash method U.S. Holders that elect to accrue discount currently on Short-Term Securities that provide for contingent payments is uncertain. Under one approach, the U.S.

Holder would wait until the maturity of a Short-Term Security to accrue the discount, even if the term of the Short-Term Security spans a taxable year. Under another approach, a U.S. Holder would apply rules analogous to the rules that apply to CPDIs as described above under "*—Contingent Payment Debt Instruments*" and would accrue acquisition discount at our comparable yield (*i.e.*, the yield at which we would issue a fixed-rate noncontingent debt instrument with terms and conditions similar to those of the Short-Term Securities). Under this approach, if the contingent payment received is less than the accrued discount based on the comparable yield, then the U.S. Holder would first reduce the acquisition discount accrued for the year in which the contingent payment is paid, and any remainder of the difference between the accrued discount and the actual contingent payment would be treated as an ordinary loss that is not subject to limitations on the deductibility of miscellaneous deductions. Other approaches may be possible. Prospective investors that are accrual method U.S. Holders or cash method U.S. Holders that elect to accrue the discount currently should consult their tax advisors regarding the appropriate method of accruing the discount on Short-Term Securities that provide for contingent payments. Although not entirely clear, it is possible that cash method U.S. Holders that do not elect to accrue the discount currently should include contingent payments on Short-Term Securities in income upon receipt. Such cash method U.S. Holders should consult their tax advisors regarding this possibility.

*Amortizing Securities*

Payments received pursuant to an amortizing Security may consist of both a principal and an interest component. The principal component will generally constitute a tax-free return of capital that will reduce a U.S. Holder's adjusted tax basis in the Security.

*Taxable Disposition of the Securities*

Upon the taxable disposition of a Security (including but not limited to disposition by sale, exchange, redemption, repayment of principal on the Final Payment Date), a U.S. Holder will generally recognize taxable gain or loss equal to the difference between (i) the amount realized on the disposition (other than amounts attributable to accrued but untaxed interest) and (ii) the U.S. Holder's adjusted tax basis in the Security. A U.S. Holder's adjusted tax basis in a Security generally will equal the cost of the Security (net of accrued interest) to the U.S. Holder, increased by amounts includible in income as OID or market discount (if the holder elects to include market discount in income on a current basis) and reduced by any amortized bond premium and any payments (other than payments of qualified stated interest) made on such Security.

Because the Security is held as a capital asset, such gain or loss (except to the extent that the market discount rules or the rules relating to Short-Term Securities otherwise provide) will generally constitute capital gain or loss. Capital gains of individual taxpayers from the taxable disposition of a Security held for more than one year may be eligible for reduced rates of taxation. The deductibility of a capital loss realized on the taxable disposition of a Security is subject to limitations.

*Certain Other Debt Securities*

The applicable Offering Circular Supplement will discuss the material U.S. federal income tax rules with respect to certain debt securities, including Securities that provide for an alternative payment schedule or schedules applicable upon the occurrence of a contingency or contingencies relating to payments of interest or of principal.

***Foreign Currency Securities***

The following discussion applies to "**Foreign Currency Securities**" that are not denominated in or indexed to a currency that is considered "hyperinflationary," that are not CPDIs, and that are not dual currency notes. Special U.S. federal income tax considerations applicable to Foreign Currency Securities that are denominated in or indexed to a hyperinflationary currency, are CPDIs, or are dual currency notes will be discussed in the applicable Offering Circular Supplement.

In general, a U.S. Holder that uses the cash method of accounting and holds a Foreign Currency Security will be required to include in income the U.S. dollar value of the amount of interest income received, whether or not the payment is received in U.S. dollars or converted into U.S. dollars. The U.S. dollar value of the amount of interest

received is the amount of the interest paid in the foreign currency, translated into U.S. dollars at the spot rate on the date of receipt. The U.S. Holder will not have exchange gain or loss on the interest payment itself, but may have exchange gain or loss when it disposes of any foreign currency received.

A U.S. Holder that uses the accrual method of accounting is generally required to include in income the dollar value of interest accrued during the accrual period. Accrual basis U.S. Holders may determine the amount of income recognized with respect to such interest in accordance with either of two methods. Under the first method, the dollar value of accrued interest is translated at the average rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year). For this purpose, the average rate is the simple average of spot rates of exchange for each business day of such period or other average exchange rate for the period reasonably derived and consistently applied by the U.S. Holder. Under the second method, a U.S. Holder can elect to accrue interest at the spot rate on the last day of the interest accrual period (or, with respect to an accrual period that spans two taxable years, the last day of the partial period within the relevant taxable year) or, if the last day of an interest accrual period is within five business days of the receipt, the spot rate on the date of receipt. Any such election will apply to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS. An accrual basis U.S. Holder will recognize exchange gain or loss, as the case may be, on the receipt of a foreign currency interest payment if the exchange rate on the date payment is received differs from the rate applicable to the previous accrual of that interest income. The foreign currency gain or loss will generally be treated as U.S. source ordinary income or loss.

OID on a Foreign Currency Security is determined in the foreign currency and is translated into U.S. dollars in the same manner that an accrual basis U.S. Holder accrues stated interest. Exchange gain or loss is determined when OID is considered paid to the extent the exchange rate on the date of payment differs from the exchange rate at which the OID was accrued.

The amount of market discount on a Foreign Currency Security includible in income will generally be determined by computing the market discount in the foreign currency and translating that amount into dollars at the spot rate on the date the Foreign Currency Security is redeemed or otherwise disposed of. If the U.S. Holder accrues market discount currently, the amount of market discount which accrues during any accrual period is determined in the foreign currency and translated into U.S. dollars on the basis of the average exchange rate in effect during the accrual period. Exchange gain or loss may be recognized to the extent that the rate of exchange on the date of the redemption or disposition of the Security differs from the exchange rate at which the market discount was accrued.

Amortizable bond premium on a Foreign Currency Security is computed in units of foreign currency and, if the U.S. Holder elects, will reduce interest income in units of foreign currency. At the time amortized bond premium offsets interest income (*i.e.*, the last day of the tax year in which the election is made and the last day of each subsequent tax year), exchange gain or loss with respect to amortized bond premium is recognized and is measured by the difference between exchange rates at that time and at the time of the acquisition of the Security.

With respect to the taxable disposition of a Security denominated in a foreign currency, the foreign currency amount realized will be considered to be first, the payment of accrued but unpaid interest (on which exchange gain or loss is recognized as described above); second, accrued but unpaid OID (on which exchange gain or loss is recognized as described above); and, finally, as receipt of principal. With respect to principal, exchange gain or loss is equal to the difference between (i) the foreign currency principal amount translated on the date the payment is received or the date of disposition and (ii) the foreign currency principal amount translated on the date the Security was acquired, or deemed acquired. Exchange gain or loss computed on accrued interest, OID, market discount and principal is realized, however, only to the extent of total gain or loss on the transaction. Any gain or loss realized by a U.S. Holder on the taxable disposition of the foreign currency security in excess of the foreign currency gain or loss generally will be capital gain or loss. If a U.S. Holder recognizes an ordinary loss upon a sale or other disposition of a foreign currency security and such loss is above certain thresholds, the holder may be required to file a disclosure statement with the IRS. See "*Treasury Regulations Requiring Disclosure of Reportable Transactions*" below. The conversion of U.S. dollars into a foreign currency and the immediate use of that currency to purchase a Foreign Currency Security generally will not result in a taxable gain or loss for a U.S. Holder.

**Securities Treated as Prepaid Derivative or Prepaid Forwards**

For certain Linked Securities, the Issuer may treat certain offerings, which may include but is not limited to, Warrants, of the Securities as prepaid derivative contracts or prepaid forward contracts for U.S. federal income tax purposes. The applicable Offering Circular Supplement will indicate whether we intend to treat a Security as a prepaid derivative contract or prepaid forward contract for U.S. federal income tax purposes. This section describes the principal U.S. federal income tax consequences of the purchase, beneficial ownership and disposition of a Security that we intend to treat as a prepaid derivative contract or prepaid forward contract for U.S. federal income tax purposes.

There are no statutory provisions, regulations, published rulings or judicial decisions addressing the treatment for U.S. federal income tax purposes of Securities with terms that are substantially the same as those described in this section. Accordingly, the proper U.S. federal income tax treatment of the Securities described in this section is uncertain. Under one approach, the Securities would be treated as prepaid forward contracts or prepaid derivative contracts with respect to the underlying asset(s). Unless otherwise specified in the applicable Offering Circular Supplement, we intend to treat each Security described in this section consistently with this approach, and, unless otherwise specified in the applicable Offering Circular Supplement, pursuant to the terms of the Securities, each U.S. Holder will agree to such treatment for all U.S. federal income tax purposes. Except for the possible alternative treatments described below, the balance of this summary assumes that the Securities described in this section are so treated.

Under this treatment, subject to the discussion below under "— Securities Treated as Income-Bearing Prepaid Derivatives or Prepaid Forwards", "— Securities Treated as Prepaid Derivatives or Prepaid Forwards with Associated Contingent Coupons" and "— Alternative Treatments for Securities Treated as Any Type of Prepaid Derivative or Prepaid Forward", a U.S. holder should generally not accrue any income with respect to the Securities during the term of the Securities until a taxable disposition of the Securities and should generally recognize gain or loss upon a taxable disposition of the Securities in an amount equal to the difference between the amount realized at such time and its tax basis in the Securities. Subject to Section 1260 of the Code, discussed below, such gain or loss should generally be long-term capital gain or loss if the Securities have been held for more than one year (otherwise, such gain or loss should be short-term capital gain or loss if held for one year or less). In general, a U.S. Holder's tax basis in the Securities will be equal to the price paid for them. The deductibility of capital losses is subject to limitations.

*Section 1260 of the Code*

If a Linked Security references an underlying asset that is an equity or index that includes equities that are treated as equity in a RIC (or a "**trust**") such as certain exchanged trade funds ("ETFs"), a real estate investment trust (a "REIT"), a PFIC, a partnership (including a master limited partnership), or other "pass-thru entity" for purposes of Section 1260 of the Code, it is possible that the "constructive ownership transaction" rules of Section 1260 of the Code may apply, in which case the tax consequences of a taxable disposition of the Securities could be materially and adversely affected. Under the "constructive ownership" rules, if an investment in the Securities is treated as a "constructive ownership transaction", any long-term capital gain recognized by a U.S. Holder in respect of such Securities will be recharacterized as ordinary income to the extent such gain exceeds the amount of "net underlying long-term capital gain" (as defined in Section 1260 of the Code) of the U.S. Holder (the "**Excess_Gain**"). In addition, an interest charge would also apply to any deemed underpayment of tax in respect of any Excess Gain to the extent such gain would have resulted in gross income inclusion for the U.S. Holder in taxable years prior to the taxable year of the taxable disposition of the Security (assuming such income accrued such that the amount in each successor year is equal to the income in the prior year increased at a constant rate equal to the applicable federal rate as of the date of the taxable disposition). In the case of Securities referencing a pass-thru entity containing gold and/or silver, if Section 1260 of the Code were to apply to the Securities, any long-term capital gain recognized with respect to the Securities that is not recharacterized as ordinary income would be subject to tax at a special 28% maximum rate that is applicable to "collectibles". There exists a risk that an investment in Securities that are linked to shares of an ETF, PFIC, REIT, RIC or other "pass-thru" entity or to a basket or underlying index that contains shares of an ETF, PFIC, REIT, RIC or other "pass-thru entity" could be treated as a "constructive ownership

transaction". Furthermore, depending on the precise terms of a particular offering of Securities that reference an ETF, PFIC, REIT or other "pass-thru entity", the risk may be substantial that an investment in such Securities would be treated as a "constructive ownership transaction", and that all or a portion of any long-term capital gain recognized with respect to such Securities could be recharacterized as ordinary income and subject to an interest charge (or, in the case of an pass-thru entity containing gold and/or silver, subject to a special 28% maximum rate that is applicable to "collectibles").

If such treatment applies, it is not clear to what extent any long-term capital gain recognized by a U.S. Holder in respect of a Security would be recharacterized as ordinary income and subject to the interest charge described above, in part because it is not clear how the "net underlying long-term capital gain" would be computed in respect of a Security. Under Section 1260 of the Code, the net underlying long-term capital gain is generally the net long-term capital gain a taxpayer would have recognized by investing in the underlying "pass-thru entity" at the inception of the constructive ownership transaction and selling on the date the constructive ownership transaction is closed out (i.e. at maturity or earlier disposition). It is possible that because the U.S. Holder does not share in distributions made on the underlying asset, these distributions could be excluded from the calculation of the amount and character of gain, if any, that would have been realized had the U.S. Holder held the underlying assets directly and that the application of constructive ownership rules may not recharacterize adversely a significant portion of the long-term capital gain recognized with respect to the Securities. However, it is also possible that all or a portion of the gain with respect to the Securities could be treated as "Excess Gain" if, for example, where a pass-thru entity is the sole underlying asset, the "net underlying long-term capital gain" could equal the amount of long-term capital gain a U.S. Holder would have recognized if on the issue date of the Securities the U.S. Holder had invested the principal amount of the Securities in shares of the underlying asset that is treated as a "pass-thru entity" and sold those shares for their fair market value on the date of a taxable disposition of the Securities. In addition, all or a portion of the gain recognized with respect to the Securities could be "Excess Gain" for Securities purchased for an amount that is less than the principal amount of the Securities or if the return on the Securities is adjusted to take into account any extraordinary dividends that are paid on the shares of the underlying asset. Furthermore, unless otherwise established by clear and convincing evidence, the "net underlying long-term capital gain" is treated as zero. Accordingly, it is possible that all or a portion of any gain on the taxable disposition of a Security after one year could be treated as "Excess Gain" from a "constructive ownership transaction", which gain would be recharacterized as ordinary income, and subject to an interest charge (or, in the case of an ETF containing gold and/or silver, subject to the tax rate applicable to "collectibles").

***Because the application of the constructive ownership rules to the Securities is unclear, U.S. Holders are urged to consult their tax advisors regarding the potential application of those rules to an investment in the Securities.***

*Securities that Provide for Physical Settlement*

If the Securities provide for settlement, in whole or in part, by delivery of one or more securities and a U.S. Holder receives shares of an underlying asset upon scheduled expiration of the Securities, the U.S. Holder should be deemed to have applied the purchase price of its Security toward the purchase of the shares received. A U.S. Holder should generally not recognize gain or loss with respect to the receipt of the shares. Instead, consistent with the position described above, a U.S. Holder's basis in the underlying asset received should equal the price paid to acquire the Security, and that basis will be allocated proportionately among the shares. The holding period for the shares of the underlying asset will begin on the day after receipt. With respect to any cash received in lieu of a fractional share of the underlying asset, a U.S. Holder will recognize capital gain or loss in an amount equal to the difference between the amount of cash received and the tax basis allocable to the fractional share. Alternatively, it is possible that receipt of shares of the underlying asset(s) could be treated as a taxable settlement of the Securities followed by a purchase of the shares of the underlying asset(s) pursuant to the original terms of the Securities. If the receipt of shares of the underlying asset(s) is so treated, a U.S. Holder (i) should recognize capital gain or loss equal to the difference between the fair market value of the shares received at such time plus the cash received in lieu of a fractional share, if any, and the amount paid for the Securities, (ii) should take a basis in such shares in an amount equal to their fair market value at such time and (iii) should have a holding period in such shares beginning on the day after beneficial receipt of such shares.

**Securities Treated as Income-Bearing Prepaid Derivatives or Prepaid Forwards**

For certain Linked Securities, the Issuer may treat certain offerings of the Securities, which may include but is not limited to Warrants, as income-bearing prepaid derivative contracts or prepaid forward contracts for U.S. federal income tax purposes. Consistent with the tax characterization set forth above under "— Securities Treated as Prepaid Derivatives or Prepaid Forwards", a U.S. Holder should generally realize gain or loss on the taxable disposition of the Securities in an amount equal to the difference between the amount realized (other than pursuant to a coupon or any amount attributable to any accrued but unpaid coupon) at such time and its tax basis in the Securities. A U.S. Holder's tax basis in the Securities should generally be the price paid for the Securities. Subject to the discussion on the constructive ownership rules (discussed above under "— Securities Treated as Prepaid Derivatives or Prepaid Forwards — Section 1260 of the Code"), such recognized gain or loss should generally be long-term capital gain or loss if the Securities have been held for more than one year (otherwise, such gain or loss should be short-term capital gain or loss if held for one year or less). The deductibility of capital losses is subject to limitations. Although uncertain, it is possible that proceeds received upon the taxable disposition of the Securities that could be attributed to an accrued but unpaid coupon, could be treated as ordinary income.

*Tax Treatment of Coupons*

We intend to treat coupons paid on the Securities (including any coupons paid on or with respect to the Final Payment Date) as ordinary income includable in income in accordance with each U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

**Securities Treated as Prepaid Derivatives or Prepaid Forwards with Associated Contingent Coupons**

For certain Linked Securities, the Issuer may treat certain offerings of the Securities, which may include but is not limited to Warrants, as prepaid derivative contracts or prepaid forward contracts with associated contingent coupons for U.S. federal income tax purposes. Consistent with the tax characterization set forth above under "— Securities Treated as Prepaid Derivatives or Prepaid Forwards", a U.S. Holder should generally realize gain or loss on the taxable disposition of the Securities in an amount equal to the difference between the amount realized (other than pursuant to a contingent coupon or any amount attributable to any accrued but unpaid contingent coupon) at such time and its tax basis in the Securities. A U.S. Holder's tax basis in the Securities should generally be the price paid for the Securities. Subject to the discussion of the constructive ownership rules discussed above under "—Securities Treated as Prepaid Derivatives or Prepaid Forwards — Section 1260 of the Code", such recognized gain or loss should generally be long-term capital gain or loss if the Securities have been held for more than one year (otherwise, such gain or loss should be short-term capital gain or loss if held for one year or less). The deductibility of capital losses is subject to limitations. Although uncertain, it is possible that proceeds received upon the taxable disposition of the Securities that could be attributed to an expected contingent coupon, could be treated as ordinary income. U.S. Holders should consult their tax advisors regarding this risk.

*Tax Treatment of Contingent Coupons*

Although the tax treatment of the contingent coupons is unclear, we intend to treat such contingent coupons (including any contingent coupon paid on or with respect to the Final Payment Date of the Securities) as ordinary income includable in income in accordance with each U.S. Holder's regular method of accounting for U.S. federal income tax purposes. Generally for cash-basis taxpayers, this would require such contingent coupons be included in income when received and for accrual basis taxpayers when the right to, and amount of, such contingent coupon is fixed.

**Alternative Treatments for Securities Treated as Any Type of Prepaid Derivative or Prepaid Forward**

Although we intend to treat each Security described in this section as a prepaid derivative contract or prepaid forward contract as described above, there are no statutory provisions, regulations, published rulings or judicial decisions addressing the characterization of securities with terms that are substantially the same as those of the Securities described in this section. Therefore, it is possible that the IRS could seek to characterize the Securities in a manner that results in tax consequences that are materially different from those described above. If the IRS were successful in asserting an alternative treatment of the Securities, the timing and character of income on the Securities could differ materially and adversely from our description herein.

*Linked Securities that reference at least one index*

If an offering of Linked Securities is references at least one index or a basket of indices, if such index rebalances or rolls, it is possible that the Securities could be treated as a series of forward contracts, each maturing on the next rebalancing date and/or roll date. If the Securities were properly characterized in such a manner, a U.S. Holder would be treated as disposing of the Securities on each rebalancing and/or roll date in return for new forward contracts that mature on the next rebalancing and/or roll date, and would accordingly likely recognize capital gain or loss on each rebalancing and/or roll date (which depending on the period between rebalancing or roll dates, could be short-term) equal to the difference between the U.S. Holder's basis in the Securities (or their fair market value as of the previous rebalancing and/or roll date, as applicable) and their fair market value on such date.

*Section 1256 of the Code*

If an offering of Linked Securities references an underlying asset that includes a regulated futures contract, for example, a commodities futures contract, it is possible that the IRS could assert that Section 1256 of the Code should apply to the Securities or a portion of the Securities. If Section 1256 of the Code were to apply to the Securities, gain or loss recognized with respect to the Securities or the relevant portion of the Securities would be treated as 60% long-term capital gain or loss and 40% short-term capital gain or loss, without regard to a U.S. Holder's holding period in the Securities. A U.S. Holder's would also be required to mark the Securities (or a portion of the Securities) to market at the end of each year (i.e., recognize gain or loss as if the Securities or the relevant portion of the Securities had been sold for fair market value).

*Contingent Payment Debt Instrument*

If the Securities have a term greater than one year, it is possible that the Securities could be treated as a single contingent payment debt instrument that is subject to the special tax rules governing contingent payment debt instruments, as described above under "— Contingent Payment Debt Instruments".

*Contingent Short-Term Debt Instrument*

If the Securities have a term of one year or less, it is possible that the Securities could be treated as a single contingent short-term debt instrument. However, there are no specific rules that govern this type of instrument, and therefore, if the Securities were characterized as a single contingent short-term debt instrument, the U.S. federal income tax treatment of the Securities would not be entirely clear.

*Linked Securities Providing Short Exposure to an Underlying Asset*

If an offering of Linked Securities offers short exposure, even in part, to an underlying asset, the IRS could possibly assert that a U.S. Holder of such Securities should be treated as entering into a short sale of the underlying asset or any underlying constituent, in which case any gain or loss on such short sale could be short-term capital gain or loss, regardless of the holding period of the Securities.

*Other Alternative Treatments*

The IRS could also possibly assert that a U.S. Holder (i) should be treated as owning the components of any underlying asset, (ii) any gain or loss recognized upon the taxable disposition of the Securities should be treated as ordinary gain or loss or short-term capital gain or loss, (iii) should be required to accrue interest income over the term of the Securities or (iv) should be required to include in ordinary income an amount equal to any increase in any underlying asset that is attributable to ordinary income that is realized in respect of the components of any underlying asset, such as interest, dividends or net-rental income. U.S. Holder's should consult their tax advisors as to the tax consequences of such characterization and any possible alternative characterizations of the Securities for U.S. federal income tax purposes.

U.S. Holder's should consult their tax advisors regarding the U.S. federal income tax consequences of an investment in the Securities, including possible alternative treatments, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

**Possible Changes in Law for Securities Treated as Prepaid Derivatives, Prepaid Forwards or Other Executory Contracts**

*Notice 2008-2*

In 2007, the IRS released a notice that may affect the taxation of U.S. Holders of Securities. According to Notice 2008-2, the IRS and the Treasury are actively considering whether the U.S. Holder of an instrument, such as the Securities, should be required to accrue ordinary income on a current basis. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, U.S. Holders of such Securities would ultimately be required to accrue income currently and this could be applied on a retroactive basis. The IRS and the Treasury are also considering other relevant issues, including whether additional gain or loss from such instruments should be treated as ordinary or capital, whether non-U.S. U.S. Holders of such instruments should be subject to withholding tax on any deemed income accruals, and whether the special "constructive ownership rules" under Section 1260 of the Code described above under "Securities Treated as Any Type of Prepaid Derivatives or Prepaid Forward — Section 1260 of the Code" should be applied to such instruments. U.S. Holders are urged to consult their tax advisors concerning the significance and potential impact of the above considerations.

*Proposed Legislation*

Furthermore, in 2007, legislation was introduced in Congress that, if it had been enacted, would have required U.S. Holders of an instrument similar to the Securities that is purchased after the bill was enacted to accrue interest income over the term of such Securities even if such Securities provide that there will be no interest payments over their term.

Additionally, in 2013, the House Ways and Means Committee released in draft form certain proposed legislation relating to financial instruments. If it had been enacted, the effect of this legislation generally would have been to require instruments such as certain Securities to be marked to market on an annual basis with all gains and losses to be treated as ordinary, subject to certain exceptions.

It is not possible to predict whether any similar or identical bills will be enacted in the future, or whether any such bill would affect the tax treatment of such Securities. U.S. Holders are urged to consult their tax advisors regarding the possible changes in law and their possible impact on an investment in such Securities.

**Securities Treated as Investment Units Containing a Debt Instrument and a Put Option Contract**

The Issuer may treat certain offerings of Linked Securities as an investment unit consisting of (i) a non-contingent payment debt instrument issued by us to a U.S. Holder (the "**Debt Portion**") and (ii) a put option contract (the "**Put Option**") in respect of an underlying asset, which that the U.S. Holder entered into with us on the trade date as part of its initial investment in the Securities for U.S. federal income tax purposes. The applicable supplement will indicate whether we intend to treat a Security in this manner for U.S. federal income tax purposes. This section describes the principal federal income tax consequences of the purchase, beneficial ownership and disposition of a Security that we intend to treat as an investment unit consisting of a Debt Portion and a Put Option for U.S. federal income tax purposes.

There are no statutory provisions, regulations, published rulings or judicial decisions addressing the treatment for federal income tax purposes of Securities with terms that are substantially the same as those described in this section. Accordingly, the proper federal income tax treatment of the Securities described in this section is uncertain. Under one approach, the Securities would be treated as an investment unit consisting of a Debt Portion and a Put Option with respect to the underlying asset. Unless otherwise specified in the applicable Offering Circular Supplement, we intend to treat each Security described in this section consistently with this approach, and, unless otherwise specified in the applicable Offering Circular Supplement, pursuant to the terms of the Securities, each U.S. Holder will agree to that treatment for all U.S. federal income tax purposes. Except for the possible alternative

treatments described below, the balance of this summary assumes that the Securities described in this section are so treated.

*Tax Treatment of Coupons*

If the Securities are properly treated as an investment unit consisting of a Debt Portion and Put Option, the Debt Portion of the Securities would likely be treated as having been issued for the principal amount of the Securities and coupons on the Securities would likely be treated in part as payments of interest with respect to the Debt Portion and in part as premium payments for the Put Option. The applicable supplement for each offering of Securities will specify the portion of each coupon that will be allocated to interest on the Debt Portion and to premium on the Put Option.

If the Securities have a term of greater than one year, amounts treated as interest on the Debt Portion would be includible in income in accordance with each U.S. Holder's regular method of accounting for interest for U.S. federal income tax purposes. If the Securities have a term of one year or less, amounts treated as interest on the Debt Portion are likely to be subject to the general rules governing interest payments on short-term notes and therefore would be required to be accrued by accrual-basis taxpayers (and cash-basis taxpayers that elect to accrue interest currently) on either the straight-line method, or, if elected, the constant yield method, compounded daily. Cash-basis taxpayers who do not elect to accrue interest currently are likely to be required to include interest into income upon receipt of such interest. Amounts treated as premium payments for the Put Option are likely to be initially deferred from inclusion in income and would either be included in income as short-term capital gain upon the maturity of the Securities (regardless of the U.S. Holder's actual holding period) or would reduce the tax basis of any amounts received upon the taxable disposition of the Securities. Except as otherwise noted, the discussion below assumes that the payments for the Put Option component will be so treated.

*Tax Treatment of Securities upon the Final Payment Date*

The final coupon received upon the scheduled expiration of the Securities would be taxable as described above under "— Tax Treatment of Coupons". If the Securities provide for physical settlement upon scheduled expiration, a payment in shares of an underlying asset upon the scheduled expiration of the Securities is likely to be treated as (i) payment in full of the principal amount of the Debt Portion, which does not result in the recognition of gain or loss to a U.S. Holder of the Securities (other than with respect to cash received in lieu of a fractional share, if any) and (ii) the deemed exercise by us of the Put Option with such U.S. Holder's purchase of the relevant underlying asset for an amount equal to the principal amount of the Securities. A U.S. Holder's U.S. federal income tax basis in any underlying asset received (including any fractional share for which cash is received) would equal the principal amount of the Securities less the total amount of payments received for the Put Option and previously deferred as described above. With respect to any cash received in lieu of a fractional share of the underlying asset, such U.S. Holder should recognize capital gain or loss in an amount equal to the difference between the amount of that cash and the tax basis allocable to the fractional share. Alternatively, it is possible that receipt of shares of an underlying asset is treated as a taxable settlement of the Securities followed by a purchase of the shares of the underlying asset pursuant to the original terms of the Securities. If the receipt of shares of an underlying asset is so treated, a U.S. Holder should (i) recognize capital gain or loss equal to the fair market value of the shares received at such time plus the cash received in lieu of a fractional share, if any, and the amount paid for the Securities, (ii) take a basis in such shares in an amount equal to their fair market value at such time and (iii) have a holding period in such shares beginning on the day after such shares are beneficially received.

If the Securities provide for cash settlement upon scheduled expiration, in addition to the final coupon, which will be treated as described above, a U.S. Holder will be deemed to have cash-settled its obligation under the Put Option with a portion of the proceeds of the Debt Portion and would generally recognize short-term capital gain or loss equal to (i) the amount of the cash received (other than the final coupon) on the Debt Portion less (ii) (x) the amount of the Debt Portion less (y) the aggregate premium payments received for the Put Option. The deductibility of capital losses is subject to limitations.

Upon the exercise or cash settlement of a Put Option, a cash method U.S. Holder of a short-term obligation that does not elect to accrue acquisition discount in income currently will recognize ordinary income equal to the accrued and unpaid interest on the Debt Portion.

*Tax Treatment of Securities upon Sale or Exchange*

Upon a sale or exchange of the Securities, a U.S. Holder would be required to apportion the value of the amount received between the Debt Portion and Put Option on the basis of the relative fair market values thereof on the date of the sale or exchange. The U.S. Holder would recognize gain or loss with respect to the Debt Portion in an amount equal to the difference between (i) the amount apportioned to the Debt Portion and (ii) its adjusted U.S. federal income tax basis in the Debt Portion (which would generally be equal to the principal amount of the Securities if such U.S. Holder were an initial purchaser of the Securities). Except to the extent attributable to accrued but unpaid interest with respect to the Debt Portion, such gain or loss would be capital gain or loss, which would be long-term if the Securities were held for more than one year. The amount of cash that is apportioned to the Put Option (together with any amount of premium received in respect thereof and deferred as described above) would be treated as short-term capital gain or loss with respect to the Put Option (regardless of the U.S. Holder's actual holding period). If the value of the Debt Portion on the date of the sale or exchange of the Securities is in excess of the amount received upon such sale or exchange, a U.S. Holder is likely to be treated as having made a payment to the purchaser equal to the amount of such excess in in exchange for the purchaser's assumption of the Put Option. In such a case, a U.S. Holder is likely to recognize short-term capital gain or loss in respect of the Put Option in an amount equal to the difference between the aggregate premium previously received in respect of the Put Option and the amount of the deemed payment made to extinguish the Put Option.

**Alternative Treatments for Securities Treated as Investment Units Containing a Debt Instrument and a Put Option Contract**

Although we intend to treat each Security described in this section as an investment unit consisting of a debt instrument and a deposit for U.S. federal income tax purposes as described above, there are no statutory provisions, regulations, published rulings or judicial decisions addressing the characterization of securities with terms that are substantially the same as those of the Securities described in this section. Therefore, no assurance can be given that the IRS will accept, or that a court will uphold, the treatment of the Securities described above and it is possible that the IRS could seek to characterize the Securities in a manner that results in tax consequences that are materially different from those described above. If the IRS were successful in asserting an alternative treatment of the Securities, the timing and character of income on the Securities could differ materially and adversely from our description herein.

*Contingent Payment Debt Instrument.*

If the Securities have a term of more than one year, it is possible that the Securities could be treated as a single debt instrument subject to the special Treasury Regulations governing contingent payment debt instruments as described above under "— Contingent Payment Debt Instruments".

*Contingent Short-Term Debt Instrument.*

If the Securities have a term of one year or less, it is possible that the Securities could be treated as a single contingent short-term debt instrument. However, there are no specific rules that govern this type of instrument, and therefore, if the Securities were characterized as a single contingent short-term debt instrument, the U.S. federal income tax treatment of the Securities would not be entirely clear.

*Other Alternative Treatments.*

Because there is no specific authority that addresses the U.S. federal income tax treatment of the Securities, it is possible that the Securities could be treated in a manner that differs from that described above. For example, it is possible that a U.S. Holder may be required to include the entire coupon into income when it is received, as described further below under "— Securities Treated as Investment Units Containing a Derivative Contract and a Cash Deposit". It is also possible that the Securities may be characterized in whole or in part as a notional principal contract.

**Additional Tax Considerations**

*PFIC Rules*

We will not attempt to ascertain whether any issuer of an underlying asset (an "**Underlying Issuer**") or issuer of an underlying constituent ("**Underlying Constituent Issuer**") would be treated as a PFIC within the meaning of Section 1297 of the Code. If any such entity were so treated, certain adverse U.S. federal income tax consequences might apply upon the taxable disposition of a Security. You should refer to information filed with the SEC or the equivalent governmental authority by such entities and consult your tax advisor regarding the possible consequences to you if any such entity is or becomes a PFIC.

*Holding Period*

If an offering of Securities offer the potential to realize capital gain or loss, it is possible that the IRS could assert that a U.S. Holder's holding period in respect of such Securities should end on the date on which the amount payable upon the scheduled expiration of those Securities is determined (e.g. the final valuation date), even though any amounts paid by the issuer in respect of those Securities would not be paid until the scheduled expiration date. In such case, a U.S. Holder in such Securities may be treated as having a holding period ending prior to the Final Payment Date, and such holding period may be treated as less than one year even if amounts paid by the issuer on the Securities occurs at a time that is more than one year after the beginning of that U.S. Holder's holding period.

*Medicare Tax on Net Investment Income*

U.S. holders that are individuals, estates, and certain trusts are subject to an additional 3.8% tax on all or a portion of their "net investment income" or "undistributed net investment income" in the case of an estate or trust, which may include any income or gain realized with respect to the Securities, to the extent of their net investment income or undistributed net investment income (as the case may be) that when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, or the dollar amount at which the highest tax bracket begins for an estate or trust. The 3.8% Medicare tax is determined in a different manner than the income tax. U.S. holders should consult their advisors with respect to their consequences with respect to the 3.8% Medicare tax to an investment in the Securities.

*Information Reporting with respect to Foreign Financial Assets*

U.S. holders may be subject to reporting obligations with respect to their Securities if they do not hold their Securities in an account maintained by a financial institution and the aggregate value of their Securities and certain other "specified foreign financial assets" (applying certain attribution rules) exceeds an applicable threshold. Significant penalties can apply if a U.S. holder is required to disclose its Securities and fails to do so.

*Treasury Regulations Requiring Disclosure of Reportable Transactions*

Treasury regulations require U.S. taxpayers to report certain transactions ("**Reportable Transactions**") on IRS Form 8886. An investment in the Securities or a sale of the Securities generally should not be treated as a Reportable Transaction under current law, but it is possible that future legislation, regulations or administrative rulings could cause an investment in the Securities or a sale of the Securities to be treated as a Reportable Transaction. U.S. Holders should consult with their tax advisors regarding any tax filing and reporting obligations that may apply in connection with acquiring, owning or disposing of Securities.

*Backup Withholding and Information Reporting*

The proceeds received from a taxable disposition of the Securities will be subject to information reporting unless a U.S. Holder is an "exempt recipient" and may also be subject to backup withholding at the rate specified in the Code if such U.S. Holder fails to provide certain identifying information (such as an accurate taxpayer number in the case of a U.S. holder) or meet certain other conditions. A non-U.S. holder that provides a properly executed and fully completed applicable IRS Form W-8, will generally establish an exemption from backup withholding.

Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against U.S. federal income tax liability, provided the required information is furnished to the IRS.

**Tax Treatment of Non-U.S. Holders**

Subject to the exceptions discussed below and any further exceptions in the applicable Offering Circular Supplement, the Issuer generally expects to treat payments made to a Non-U.S. Holder upon the taxable disposition of the Securities as exempt from U.S. withholding tax and from generally applicable information reporting and backup withholding requirements with respect to payments on the Securities if (i) such Non-U.S. Holder complies with certain certification and identification requirements as to its non-U.S. status, including providing the Issuer (and/or the applicable withholding agent) a fully completed and validly executed applicable IRS Form W-8 and (ii) in the case of Securities wholly or partially treated as indebtedness (including Securities treated as investment units containing a debt instrument and a put option contract), such Non-U.S. Holder is unrelated to the Issuer and is not a bank, and the interest is not contingent within the meaning of Section 871(h)(4) of the Code.

In general, gain realized on a taxable disposition of the Securities by a Non-U.S. Holder will not be subject to federal income tax, unless (i) the gain with respect to the Securities is effectively connected with a trade or business conducted by the Non-U.S. Holder in the U.S., or (ii) the Non-U.S. Holder is a nonresident alien individual who holds the Securities as a capital asset within the meaning of Section 1221 of the Code and is present in the U.S. for 183 days or more during the taxable year of such taxable disposition (including but not limited to disposition by sale, exchange, redemption, or repayment of principal on the Final Payment Date) and certain other conditions are satisfied or (iii) the Non-U.S Holder has certain other present or former connections with the U.S.

If the gain realized on a taxable disposition of the Securities by the Non-U.S. Holder is described in the preceding paragraph, the Non-U.S. Holder may be subject to U.S. federal income tax with respect to such gain, except to the extent that an income tax treaty reduces or eliminates the tax and the appropriate documentation is provided.

Notwithstanding the above, no assurance can be given that the IRS will accept, or that a court will uphold, the treatment of the Securities. Further, if the Issuer determines that there is a material risk that it would be required to withhold on any payments on the Securities, the Issuer may withhold on any such payments to a Non-U.S. Holder at a 30% rate, unless such Non-U.S. Holder has provided the Issuer (and/or the applicable withholding agent) with (i) a valid IRS Form W-8ECI or (ii) a valid applicable IRS Form W-8BEN or W-8BEN-E claiming tax treaty benefits that reduce or eliminate withholding. If the Issuer elects to withhold and such Non-U.S. Holder has provided the Issuer with a valid IRS Form W-8BEN or W-8BEN-E claiming tax treaty benefits that reduce or eliminate withholding, the Issuer may nevertheless withhold up to 30% on any payments if there is any possible characterization of the payments that would not be exempt from withholding under the treaty.

The Issuer will not pay any additional amounts on account of any withholding tax.

As discussed above under "*Material U.S. Federal Income Tax Considerations—Tax Treatment of U.S. Holders—Certain Equity Securities— Alternative Treatments for Securities Treated as Any Type of Prepaid Derivative or Prepaid Forward*," alternative treatments of Securities that the Issuer intends to treat as forward or derivative contracts are possible under U.S. federal income tax law. Under one such alternative characterization, it is possible that a Non-U.S. Holder could be treated as owning the underlying asset(s) of such Securities.

*Section 871(m).* The Treasury has issued regulations under Section 871(m) of the Code under which a 30% withholding tax (which may be reduced by an applicable income tax treaty) is imposed on certain "dividend equivalents" paid or deemed paid to a Non-U.S. Holder with respect to a "specified equity-linked instrument" that references one or more U.S.-source dividend-paying equity securities or indices containing U.S.-source dividend-

paying equity securities (an "**871(m) Specified ELI**"). The withholding tax can apply even if the 871(m) Specified ELI does not provide for payments that reference dividends. Under these regulations, the withholding tax generally will apply to 871(m) Specified ELIs (or a combination of 871(m) Specified ELIs treated as having been entered into in connection with each other) issued (or reissued, as discussed below) on or after January 1, 2019, but will also apply to certain 871(m) Specified ELIs (or a combination of 871(m) Specified ELIs treated as having been entered into in connection with each other) that have a delta of one ("**Delta One Specified ELIs"**) issued (or reissued, as discussed below) on or after January 1, 2017. However, the IRS has issued guidance that states that the Treasury and the IRS intend to amend the effective dates of the Treasury regulations to provide that withholding on dividend equivalents paid or deemed paid will not apply to 871(m) Specified ELIs that are not Delta One Specified ELIs and are issued before January 1, 2021.

The 30% withholding tax may also apply if the Securities are deemed to be reissued for tax purposes upon the occurrence of certain events affecting an underlying asset, any underlying constituents or the Securities, and following such occurrence the Securities could be treated as delta one specified equity-linked instruments that are subject to withholding on dividend equivalents. It is also possible that withholding tax or other Section 871(m) tax could apply to the Securities under these rules if a non-U.S. holder enters, or has entered, into certain other transactions in respect of an underlying asset, any underlying constituents or the Securities. Because of the uncertainty regarding the application of the 30% withholding tax on dividend equivalents to the Securities, non-U.S. holders are urged to consult their tax advisor regarding the potential application of Section 871(m) of the Code to the Securities (including in the context of their other transactions in respect of an underlying asset or the Securities, if any) and the 30% withholding tax to an investment in the Securities.

*Section 897.* In the case of Linked Securities that are treated as prepaid derivative or prepaid forward contracts that are linked to one or more underlying assets characterized as U.S. real property interests, Non-U.S. Holders may be subject to special rules governing the ownership and disposition of U.S. real property interests. The Issuer will not attempt to ascertain whether any Underlying Asset Issuer or any Underlying Constituent Issuer would be treated as a "United States real property holding corporation" ("**USRPHC**") or whether the Securities would be treated as "United States real property interests" ("**USRPI**"), each as defined in Section 897 of the Code. If the Securities, any underlying asset or underlying constituent were so treated, certain adverse tax consequences could apply to Non-U.S. Holders, including subjecting any gain to a non-U.S. holder in respect of a Security upon a taxable disposition to a 15% withholding tax. Non-U.S. holders should consult their tax advisors regarding the potential application of Section 897 to an investment in the Securities.

Other alternative treatments with U.S. federal income tax consequences to Non-U.S. Holders may also be possible, and may be discussed in the relevant Offering Circular Supplement. Prospective Non-U.S. Holders of the Securities should review the relevant Offering Circular Supplement for any Securities that they are considering purchasing, and should consult their own tax advisors regarding the possible alternative treatments of the Securities.

**Foreign Account Tax Compliance Act**

The Foreign Account Tax Compliance Act ("FATCA") generally imposes a 30% U.S. withholding tax on "withholdable payments" (i.e., certain U.S.-source payments, including interest (and original issue discount), dividends, other fixed or determinable annual or periodical gain, profits, and income, and on the gross proceeds from a disposition of property of a type which can produce U.S.-source interest or dividends) and "passthru payments" (i.e., certain payments attributable to withholdable payments) made to certain foreign financial institutions (and certain of their affiliates) unless the payee foreign financial institution agrees (or is required), among other things, to disclose the identity of any U.S. individual with an account of the institution (or the relevant affiliate) and to annually report certain information about such account. FATCA also requires withholding agents making withholdable payments to certain foreign entities that do not disclose the name, address, and taxpayer identification number of any substantial U.S. owners (or do not certify that they do not have any substantial U.S. owners) to withhold tax at a rate of 30%. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes.

Pursuant to final and temporary Treasury regulations and other IRS guidance, the withholding and reporting requirements under FATCA generally apply to certain "withholdable payments", and will generally apply to certain gross proceeds on a sale or other taxable disposition occurring after December 31, 2018, and certain foreign passthru payments made after December 31, 2018 (or, if later, the date that final regulations defining the term "foreign

passthru payment" are published). If withholding is required, we (or the applicable paying agent) will not be required to pay additional amounts with respect to the amounts so withheld. Foreign financial institutions and non-financial foreign entities located in jurisdictions that have an intergovernmental agreement with the U.S. governing FATCA may be subject to different rules.

Investors should consult their tax advisors about the application of FATCA, in particular if they may be classified as financial institutions (or if they hold their Securities through a non-U.S. entity) under the FATCA rules.

**The preceding discussion is only a summary of certain of the tax implications of an investment in certain offerings of the securities. Prospective investors are urged to read this offering circular together with the applicable offering circular supplement(s) and to consult their tax advisors prior to investing to determine the tax implications of such investment in light their particular circumstances.**

# FRENCH TAX CONSIDERATIONS

*This overview is based on the laws and regulations in full force and effect in France as at the date of this Offering Circular, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that the comments below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisers so as to determine, in the light of their individual situation, the tax consequences of the subscription, acquisition, holding, disposal or redemption of the Securities.*

**Withholding Tax on Payments Made by the Issuer**

*The withholding tax treatment regarding withholding tax in relation to any Securities will depend on the nature and characterization of the Securities.*

*Securities constituting debt instruments for French tax purposes*

*The following overview does not address specific issues which may be relevant to holders of Securities who concurrently hold shares of the Issuer.*

Payments of interest and other revenues made by the Issuer with respect to Securities which constitute debt instruments for French tax purposes are not subject to the withholding tax set out under Article 125 A III of the French *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 *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the Securities are made in a Non-Cooperative State, a 75% withholding tax will be applicable by virtue of Article 125 A III of the French *Code général des impôts* (the "**75% Withholding Tax**"), subject to certain exceptions and to the more favorable provisions of an applicable double tax treaty. A draft law published by the French government on 28 March 2018 would, if adopted in its current form, (i) expand the list of Non-Cooperative States as defined under Article 238-0 A of the French *Code général des impôts* to include the jurisdictions on the list set out in Annex I to the conclusions adopted by the Council of the European Union on 5 December 2017, as updated, (the "**EU List"**) and, as a consequence, (ii) expand this withholding tax regime to certain jurisdictions included in the EU List.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues on such Securities are not 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 to an account held with a financial institution established in such a Non-Cooperative State (the "**Deductibility Exclusion**"). The draft law published by the French government on 28 March 2018 abovementioned would, if adopted in its current form, expand this regime to the States and jurisdictions included in the EU List. Under certain conditions, any such non-deductible interest and other revenues may be recharacterized as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *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 with the standard corporate income tax rate set forth in Article 219-I of the French *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 to the more favorable provisions of an applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% Withholding Tax nor the Deductibility Exclusion will apply in respect of an issue of Securities if the Issuer can prove that the principal purpose and effect of such issue of Securities was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211 n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 n°70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320

n°10, an issue of Securities will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Securities, if such Securities are:

i. offered by means of a public offer within the meaning of Article L.411.1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an equivalent offer means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

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

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

Besides, where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A of the French *Code général des impôts*, subject to certain exceptions, interest and similar 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 such interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

*Securities not constituting debt instruments for French tax purposes*

Payments made by the Issuer with respect to Securities which do not constitute debt instruments for French tax purposes should not be subject to, or should be exempt from, withholding tax in France provided that (i) the beneficial owner of such Securities and the payments thereunder is resident for tax purposes in a country which has entered into an appropriate double tax treaty with France and fulfills the relevant requirements provided in such treaty and (ii) payments under the relevant Securities are not paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (as potentially expanded by the above mentioned legislation).

In addition, payments in respect of such Securities may, in certain circumstances, be non-deductible (in whole or in part) for French tax purposes if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State. Under certain conditions, and subject to the more favorable provisions of an applicable double tax treaty, such non-deductible payments may be recharacterized as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts* and therefore subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* at a rate of up to 75%.

Potential purchasers of Securities who are resident for tax purposes in a country which has not entered into an appropriate double tax treaty with France or who are domiciled or established in a Non-Cooperative State are advised to consult their own appropriate independent and professionally qualified tax advisors as to the tax consequences of any investment in, ownership of, or transactions involving the Securities.

**Transfer Tax and Other Taxes**

*The following may be relevant in connection with Securities which may be settled or redeemed by way of physical delivery of certain French listed shares (or certain assimilated securities) or securities representing such shares (or assimilated securities).*

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable to any acquisition for consideration resulting in a transfer of ownership of (i) an equity security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier* or of an assimilated equity security (*titre de capital assimilé*) as defined by Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognized stock exchange and the said security is issued by a company whose registered office is located in France and whose market capitalization exceeds 1 billion Euros on 1 December of the year preceding the year in which the imposition occurs (the "**French Shares**") or (ii) a security (*titre*) representing French Shares (irrespective of the location of the registered office of the issuer of such security). The French FTT could apply in certain circumstances to the acquisition of French Shares (or securities representing French Shares) in connection with the exercise, settlement or redemption of any Securities.

There are a number of exemptions from the French FTT and investors should consult their counsel to identify whether they can benefit from them.

The rate of the French FTT is 0.3% of the acquisition value of the French Shares (or securities representing French Shares).

If the French FTT applies to an acquisition of shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1% to the sale of shares issued by companies whose registered office is located in France, provided that in case of shares listed on a recognized stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE TAX IMPLICATIONS OF AN INVESTMENT IN SECURITIES. PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS PRIOR TO INVESTING TO DETERMINE THE TAX IMPLICATIONS OF SUCH INVESTMENT IN LIGHT OF EACH SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

# PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

The Securities are being offered from time to time by the Issuer through Credit Agricole Securities as initial Dealer and any other registered broker-dealers for the Securities appointed from time to time (together with Credit Agricole Securities, the "**Dealers**", and each of the Dealers individually, a "**Dealer**"). Any offering of Securities in which the Issuer's affiliate(s) participate will be conducted in compliance with the requirements of FINRA Rule 5121 (*Public Offerings of Securities With Conflicts of Interest)* ("**Rule 5121**") regarding a FINRA member firm's distribution of securities of an affiliate and conflicts of interest. Credit Agricole Securities, the initial Dealer for the Securities offered hereby, is a subsidiary of Crédit Agricole CIB and an affiliate of the Guarantor and the Issuer and, as such, will have a "conflict of interest" in an offering of Securities within the meaning of Rule 5121. In addition, the Issuer or one its affiliates will receive all or a substantial portion of the net proceeds from an offering of Securities, thus creating an additional conflict of interest within the meaning of Rule 5121. In accordance with Rule 5121, none of Credit Agricole Securities or any other FINRA member firm that is an affiliate of the Issuer or otherwise has a conflict of interest as set forth in Rule 5121 is permitted to make sales in any offerings of the Securities to any discretionary account without the prior specific written approval of the customer.

The Securities may be sold to each Dealer at a discount, as principal, for resale to investors or other purchasers at varying prices related to prevailing market prices at the time of resale, to be determined by such Dealer or, if so agreed, at a fixed offering price. The Securities may also be sold directly by the Issuer through Dealers, as agent, to investors and other purchasers at a fixed price. To the extent applicable, the Issuer will state any commission the Issuer is to pay to any Dealer as agent or principal in the applicable Offering Circular Supplement. Such commission shall be either (i) paid by the Issuer to such Dealer or (ii) in the form of a discount, by the Issuer selling the Securities to such Dealer at a discount (which discount shall equal the applicable commission).

The Issuer will have the sole right to accept offers to purchase Securities and may reject any proposed purchase of Securities in whole or in part. Each Dealer will have the right, in its discretion reasonably exercised, to reject any proposed purchase of Securities through it in whole or in part. The Issuer has reserved the right to sell Securities through one or more other dealers or agents in addition to the Dealers and directly to investors on its own behalf in those jurisdictions where it is authorized to do so. No commission will be payable by the Issuer to any of the Dealers on account of sales of Securities made through such other dealers or directly by the Issuer.

In addition, the Dealers may offer the Securities they have purchased as principal to other dealers. The Dealers may sell Securities to any dealer at a discount and, unless otherwise specified in the applicable Offering Circular Supplement, such discount allowed to any dealer will not be in excess of the discount to be received by the Dealer from the Issuer. Alternatively, the Dealers may pay to any dealer all or a portion of any commission paid by the Issuer. To the extent indicated in the applicable Offering Circular Supplement, any Security sold to a Dealer as principal will be purchased by such Dealer at a price equal to 100% of the Issue Price thereof less a percentage equal to the applicable commission, and may be resold by the Dealer to investors and other purchasers as described above. After the initial offering of Securities to be resold to investors and other purchasers, the offering price (in the case of Securities to be resold at a fixed offering price), the concession and discount may be changed.

Unless otherwise specified in the Offering Circular Supplement, the Issuer has agreed to indemnify each Dealer against, or to make contributions relating to, certain civil liabilities, including liabilities under the Securities Act.

In connection with an offering of Securities purchased by one or more Dealers as principal on a fixed offering price basis, certain persons participating in the offering (including such Dealers) may engage in stabilizing and syndicate covering transactions. If required under applicable law, such transactions will be conducted in accordance with Rule 104 under the Exchange Act. Rule 104 permits stabilizing bids to purchase the underlying security so long as bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of Securities in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing and syndicate covering transactions may cause the price of the Securities to be higher than they would otherwise be in the absence of such transactions. These transactions, if commenced, may be discontinued at any time.

In connection with an offering of any series of Securities, the Dealers named as the Stabilizing Manager (or persons acting on behalf of any such Stabilizing Manager) in the applicable Offering Circular Supplement may over allot

Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Managers (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant series of Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant series of Securities and 60 days after the date of the allotment of the relevant series of Securities.

The Issuer has been advised by the initial Dealer that it may make a market in the Securities; however, the Issuer cannot provide any assurance that a secondary market for the Securities will develop. After a distribution of a series of Securities is completed, because of certain regulatory restrictions arising from its affiliation with the Issuer, Credit Agricole Securities may not be able to make a market in such series of Securities or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of Securities. Other Dealers unaffiliated with the Issuer will not be subject to such prohibitions.

This Offering Circular and any Offering Circular Supplement may be used by affiliates of the Issuer in connection with offers and sales related to secondary market transactions in the Securities. Such affiliates may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing prices at the time of a sale.

Each Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act, and any discounts and commissions received by it and any profit realized by it on resale of the Securities may be deemed to be underwriting discounts and commissions.

Each Dealer will offer or sell the 144A Securities to persons it reasonably believes to be "qualified institutional buyers" (within the meaning of Rule 144A) in reliance on Rule 144A.

Each Dealer has agreed that, except as permitted by the Distribution Agreement and set forth in "*Notice to Investors*," it will not offer or sell Regulation S Securities within the United States or to, or for the account or benefit of, a U.S. person (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and closing date, and it will have sent to each dealer to which it sells such Regulation S Securities during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Securities within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of an offering of Regulation S Securities, an offer or sales of Regulation S Securities within the United States by a dealer that is not participating in such offering may violate the registration requirement of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each purchaser of 144A Securities and Regulation S Securities offered hereby in making its purchase will be deemed to have represented and agreed with the Issuer of the Securities as set forth under "*Notice to Investors*" herein.

Each Dealer has agreed that (i) in respect of syndicated issues of Securities constituting *obligations* under French law, it has not offered or sold and will not offer or sell, directly or indirectly, Securities to the public in the Republic of France (*appel public à l'épargne*) and that offers of Securities will be made in the Republic of France only to qualified investors acting for their own account in accordance with L.411-1 of the *Code monétaire et financier* and their implementing *décret* and (ii) in respect of non-syndicated issues of Securities or in respect of syndicated issues of Securities not constituting *obligations* under French law, it has not offered or sold and will not offer or sell, directly or indirectly, Securities in the Republic of France and that each subscriber of Securities will be domiciled or resident for tax purposes outside the Republic of France.

**Prohibition of sales to European Economic Area Retail Investors and of sales to the public in the Republic of France**

The Securities 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

Directive 2014/65/EU, as amended ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC, 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 Directive 2003/71/EC, as amended. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**"), for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## CERTAIN ERISA MATTERS

ERISA imposes certain restrictions on employee benefit plans ("**ERISA Plans**") that are subject to ERISA and on persons who are fiduciaries with respect to such ERISA Plans. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to any such ERISA Plan who is considering the purchase of Securities on behalf of such ERISA Plan should determine whether such purchase is permitted under the governing plan documents and is prudent and appropriate for the ERISA Plan in view of its overall investment policy and the composition and diversification of its portfolio. Other provisions of ERISA and Section 4975 of the Code prohibit certain transactions between an ERISA Plan or other plan subject to Section 4975 of the Code (such plans and ERISA Plans, "**Plans**") and persons who have certain specified relationships to the Plan ("parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of Section 4975 of the Code). Thus, a Plan fiduciary considering the purchase of Securities should consider whether such a purchase might constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code.

The Issuer or Dealers selling Securities each may be considered a "party in interest" and/or a "disqualified person" with respect to many Plans. The purchase of Securities by a Plan that is subject to the fiduciary responsibility provisions and prohibited transaction provisions of ERISA and/or the prohibited transaction provisions of Section 4975 of the Code (including individual retirement accounts and other plans described in Section 4975(e)(1) of the Code) and with respect to which the Issuer or a Dealer selling Securities is a party in interest and/or a disqualified person may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless such Securities are acquired pursuant to and in accordance with an applicable statutory or administrative exemption. Included among the administrative exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 84-14 (an exemption for certain transactions determined by an independent "qualified professional asset manager"), PTCE 91-38 (an exemption for certain transactions involving bank collective investment funds), PTCE 95-60 (an exemption for certain transactions involving life insurance general accounts), PTCE 96-23 (an exemption for certain transactions determined by in-house investment managers) and PTCE 90-1 (an exemption for certain transactions involving insurance company pooled separate accounts).

In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code contain a statutory exemption from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code for transactions involving certain parties in interest or disqualified persons who are such merely because they are a service provider to a Plan, or because they are related to a service provider. Generally, this exemption would be applicable if the party to the transaction with the Plan is a party in interest or a disqualified person to the Plan but is not (i) an employer, (ii) a fiduciary who has or exercises any discretionary authority or control with respect to the investment of the Plan assets involved in the transaction, (iii) a fiduciary who renders investment advice (within the meaning of ERISA and Section 4975 of the Code) with respect to those assets, or (iv) an affiliate of (i), (ii) or (iii). Any Plan fiduciary relying on this statutory exemption and purchasing securities on behalf of a Plan will be deemed to represent that (a) the fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (b) neither Crédit Agricole CIB nor any of its affiliates directly or indirectly exercises any discretionary authority or control or renders investment advice (as defined above) with respect to the assets of the Plan which such fiduciary is using to purchase Securities, both of which are necessary preconditions to utilizing this exemption. Any person proposing to acquire any Securities on behalf of a Plan should consult with counsel regarding the applicability of the prohibited transaction rules and the availability of any applicable exemptions thereto.

By the purchase of any offered Securities or any interest in the offered Securities, the purchaser and any fiduciary causing the purchase of such Securities or any interest in such Securities will be deemed to represent, on each day from the date on which the purchaser acquires any offered Security or an interest therein through and including the date on which the purchaser disposes of its Securities or any interest in the Securities, either that (a) the purchaser is not and will not be a Plan or an entity whose underlying assets include the assets of any Plan or (b) if the purchaser is a Plan or an entity whose underlying assets include the assets of any Plan, (i) such purchase, holding and any subsequent disposition of the Securities will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code and (ii) neither Crédit Agricole CIB nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the Securities, or as a result of any exercise by

Crédit Agricole CIB or any of its affiliates of any rights in connection with the Securities. Any Plan proposing to acquire any Securities should consult with its counsel.

Certain employee benefit plans, such as governmental plans, certain church plans and non-U.S. plans, are not subject to Section 406 of ERISA or Section 4975 of the Code. However, such plans may be subject to provisions of applicable federal, state, local or non-U.S. law governing the investment and management of plan assets. Fiduciaries of such plans should carefully consider applicable federal, state, local or non-U.S. laws or restrictions when investing in the Securities. Each fiduciary of such a plan will be deemed to represent that the plan's acquisition, holding and subsequent disposition of the Securities will not constitute or result in a non-exempt violation of any federal, state, local or non-U.S. law or restriction substantially similar to Section 406 of ERISA or Section 4975 of the Code.

The sale or transfer of any Security to a Plan or a governmental, church or non-U.S. benefit plan is in no respect a representation by the Issuer, any Dealer or their affiliates that such an investment meets all relevant legal requirements with respect to investments by Plans or governmental, church or non-U.S. plans generally or any particular Plan or governmental, church or non-U.S. plan, or that such an investment is appropriate for any such purchaser.

The above discussion may be modified or supplemented with respect to a particular offering of Securities, including the addition of further restrictions on purchase and transfer. In addition, if so specified in the applicable Offering Circular Supplement, the purchaser or transferee of a Security may be required to deliver to the Issuer and the relevant Dealers a letter, in the form available from the Issuer and Dealers, containing certain representations. Please consult the applicable Offering Circular Supplement for such additional information.

## LEGAL MATTERS

Certain legal matters relating to the Securities and the Guarantee have been passed upon for the Issuer and the Guarantor by Cadwalader, Wickersham & Taft LLP, New York, New York, counsel to the Issuer and the Guarantor. Allen & Overy LLP has acted as legal counsel to the Issuer as to French tax matters.

## DOCUMENTS INCORPORATED BY REFERENCE

The most recent *Document de Référence* (translated to English as "Registration Document") of Crédit Agricole CIB (formerly known as Calyon), which will include the most recent *Comptes Consolidés* (translated to English as "Consolidated Financial Statements") is incorporated by reference into this Offering Circular. So long as any Securities are outstanding, copies of the English-language version of Crédit Agricole CIB's most recent Registration Document as approved by the French AMF ("*Autorité des Marchés Financiers*"), including any applicable recent Interim Financial Statements therein, will be mailed to each person to whom this Offering Circular is delivered and to subsequent holders of the Securities, upon written request mailed to Crédit Agricole Corporate and Investment Bank New York Branch, 1301 Avenue of the Americas, New York, New York 10019, Attention: Cross Asset Structuring. Crédit Agricole CIB's (formerly known as Calyon) most recent *Document de Référence* (translated to English as "Registration Document"), including any applicable Interim Financial Statements therein, are also available at Crédit Agricole CIB's website, http://www.ca-cib.com/group-overview/financial-information.htm and may be obtained by contacting Crédit Agricole CIB's Financial Department (Financial Communication), 9 quai du Président Paul Doumer, 92920 Paris La Défense Cedex, France.

Copies of the Securities, the Guarantee and the Indenture are available for inspection at the offices of Crédit Agricole CIBNY and copies of the Indenture are available at the corporate trust office of the Trustee in New York City.

In relation to each issue of Securities, this Offering Circular shall be deemed to be supplemented by the applicable Offering Circular Supplement as well as by any press releases or reports issued by Crédit Agricole CIB (or its parent, Crédit Agricole S.A.) from the date hereof through the date of the applicable Offering Circular Supplement.

# AVAILABLE INFORMATION

If, at any time, the Issuer is neither subject to Section 13 or Section 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, the holder of any Securities and a prospective purchaser designated by the holder may obtain from the Issuer as specified in Rule 144A(d)(4) of the Securities Act the information required to be delivered pursuant to Rule 144A(d)(4) of the Securities Act. Such information is available in Crédit Agricole CIB's most recent Registration Document which is available at Crédit Agricole CIB's website (see "*Documents Incorporated by Reference*"). If such information is not available on Crédit Agricole CIB's website, the Issuer will make such information available to the holder of any Securities as required by Rule 144A(d)(4).