Up to U.S.$5,000,000,000

NATIXIS
(as Issuer)
NATIXIS US MEDIUM-TERM NOTE PROGRAM LLC
(as Issuer)

NATIXIS, NEW YORK BRANCH
(Guarantor of the 3(a)(2) Notes)

The notes (the "Notes") are being offered from time to time on a continuous basis in one or more Series (each, a "Series") by Natixis, a French incorporated company (*société anonyme*) ("Natixis" or the "Bank" and, together with its consolidated subsidiaries, the "Group" or "Natixis Group") and Natixis US Medium-Term Note Program LLC, a Delaware limited liability company (the "LLC" and, together with the Bank, the "Issuers" and each an "Issuer"), and a wholly-owned subsidiary of the Bank. Each Series of Notes will be issued by either the Bank or the LLC.

The specific terms of each Series of Notes will be set forth in a product and/or pricing supplement (in each case, a "supplement" and, respectively, a "Product Supplement" and "Pricing Supplement") to this Base Offering Memorandum. The Notes of certain Series will be complex instruments that may not be suitable investments for certain investors. You should read this Base Offering Memorandum (including the documents incorporated by reference) and the related supplement or supplements carefully before you invest.

The Notes may be offered pursuant to an exemption from registration provided by Section 3(a)(2) (the "3(a)(2) Notes") 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 "Rule 144A Notes") under the Securities Act ("Rule 144A") only to qualified institutional buyers ("QIBs"), within the meaning of Rule 144A. In addition, the Notes may, if specified in the applicable supplement, be offered outside the United States to non-U.S. persons (as such term is defined in Rule 904 under the Securities Act (a "non-U.S. person")) pursuant to Regulation S (the "Regulation S Notes" and, together with the 3(a)(2) Notes and the Rule 144A Notes, the "Notes") under the Securities Act ("Regulation S"). You should read this Base Offering Memorandum and any applicable supplement carefully before you invest in the Notes.

The 3(a)(2) Notes may be issued by Natixis or by the LLC, and will be entitled to the benefit of an unconditional guarantee (the "Guarantee") of the due payment of principal, interest and other amounts due in respect thereof, issued by the New York Branch of the Bank, (in such capacity, the "Guarantor"), duly licensed in the State of New York. The Rule 144A Notes and the Regulation S Notes may be issued only by Natixis and will not benefit from the Guarantee.

Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 13 of this Base Offering Memorandum and page 112 of the 2016 Natixis Registration Document incorporated by reference herein, and any risk factors that may be described in any documents incorporated by reference herein at a future date.

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

Natixis Securities Americas LLC, a Dealer (as defined below) for the Notes offered hereby, is a broker-dealer subsidiary of the Bank and an affiliate of the Guarantor and the LLC. As a result, a conflict of interest under Rule 5121 of the Financial Industry Regulatory Authority, Inc. ("FINRA") is deemed to exist, and any offer or sale of the Notes by Natixis Securities Americas LLC will be conducted in accordance with the applicable provisions of such rule. See "Plan of Distribution – Conflicts of Interest."

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Notes or determined that this Base Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense. Under no circumstances shall this Base Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Notes, 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 Notes constitute unconditional liabilities of the respective Issuers, and the Guarantee constitutes an unconditional obligation of the Guarantor. None of the Notes or the Guarantee is insured by the Federal Deposit Insurance Corporation or any other governmental or deposit insurance agency.

The Notes are being offered on a continuous basis through the dealers named in this Base Offering Memorandum or through any other dealers named in an applicable supplement (the "Dealers"). One or more dealers may purchase Notes from the relevant Issuer for resale to investors and other purchasers at a fixed offering price set forth in the relevant supplement or at varying prices reflecting prevailing market conditions. In addition, if agreed to by the Issuer and a Dealer, such Dealer may utilize reasonable efforts to place the Notes with investors on an agency basis.

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

NATIXIS SECURITIES AMERICAS LLC

Base Offering Memorandum dated April 21, 2017

The Issuers and the Guarantor have not, and the Dealers have not, authorized anyone to give investors any information other than that contained in this Base Offering Memorandum (including the documents incorporated by reference) and the applicable supplement or supplements, and they take no responsibility for any other information that others may give to investors. Prospective investors should carefully evaluate the information provided by the Issuers and the Guarantor in light of the total mix of information available to them, recognizing that the Issuers and the Guarantor can provide no assurance as to the reliability of any information not contained or incorporated by reference in this Base Offering Memorandum or any supplement. The delivery of this Base Offering Memorandum at any time does not imply that the information herein is correct as of any time subsequent to its date.

The distribution of this Base Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. The Issuers, the Guarantor and the Dealers require persons in whose possession this Base Offering Memorandum comes to inform themselves about and to observe any such restrictions. This Base Offering Memorandum and any supplement does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Notes 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.

Prospective investors hereby acknowledge that (i) they have been afforded an opportunity to request from the Issuers and the Guarantor and to review, and have received, all additional information considered by them to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) they have had the opportunity to review all of the documents described herein, and (iii) they have not relied on the Dealers or any person affiliated with the Dealers in connection with any investigation of the accuracy of such information or their investment decision.

This Base Offering Memorandum has not been, and is not required to be, submitted to the French Financial Markets Authority (Autorité des marchés financiers) (the "AMF") or any other competent authority for approval as a "prospectus" pursuant to the Prospectus Directive (as defined below).

In making an investment decision, prospective investors must rely on their examination of the Issuer and the Guarantor and the terms of this offering, including the merits and risks involved. The Notes have not been approved or recommended by any United States federal or state securities commission or any other United States, French or other regulatory authority. Furthermore, the foregoing authorities have not passed upon or endorsed the merits of the offering or confirmed the accuracy or determined the adequacy of this Base Offering Memorandum. Any representation to the contrary is a criminal offense in the United States.

Certain persons participating in any offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes, including stabilizing and syndicate covering transactions. For a description of these activities, see "Plan of Distribution." Such activities, if commenced, may be terminated at any time.

The Issuers expect that the Dealers for any offering will include one or more of their broker-dealer or other affiliates, including Natixis Securities Americas LLC (the "Broker-Dealer Affiliate"). This Broker-Dealer Affiliate or other affiliates also expect to offer and sell previously issued Notes as part of their business and may act as a principal or agent in such transactions, although a secondary market for the Notes cannot be assured. The Issuers or the Broker-Dealer Affiliate or other affiliates may use this Base Offering Memorandum and any supplement in connection with any of these activities, including for market-making transactions involving the Notes after their initial sale.

It is not possible to predict whether the Notes will trade in a secondary market or, if they do, whether such market will be liquid or illiquid. The Broker-Dealer Affiliate or another Dealer, if applicable, or one or more of its or their affiliates, reserve the right to enter, from time to time and at any time, into agreements with one or more holders of Notes to provide a market for the Notes but neither the Broker-Dealer Affiliate nor another Dealer nor its nor their affiliates are obligated to do so or to make any market for the Notes.

After a distribution of a Series of Notes is completed, because of certain regulatory restrictions arising from its affiliation with the Issuers, the Broker-Dealer Affiliate may not be able to make a market in such Series of Notes or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such Series of Notes. Other broker-dealers unaffiliated with the Issuers will not be subject to such prohibitions.

The Notes and the Guarantee are not deposits. The Guarantee is not insured by the Federal Deposit Insurance Corporation ("FDIC") or any other agency, and the Notes are subject to investment risk, including the possible loss of principal. The Guarantee has not been approved or disapproved by the FDIC nor has the FDIC passed on the adequacy or accuracy of this Base Offering Memorandum. Any representation to the contrary is unlawful.

The Notes are not expected to be listed on any stock exchange unless otherwise stated in the applicable supplement.

The contents of this Base Offering Memorandum should not be construed as investment, legal or tax advice. This Base Offering Memorandum, as well as the nature of an investment in any Notes, should be reviewed by each prospective investor with such prospective investor's investment advisor, legal counsel and tax advisor.

Any reproduction or distribution of this Base Offering Memorandum, 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 Notes is prohibited without the express written consent of the Issuers.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory agency of any U.S. state or other jurisdiction of the United States. The 3(a)(2) Notes are being offered in reliance on the exemption from registration provided by Section 3(a)(2) of the Securities Act. The Rule 144A Notes and the Regulation S Notes may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Rule 144A Notes are being offered and sold in the United States only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, and the Regulation S Notes are being offered and sold outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act, as applicable. See "*Notice to U.S. Investors in the Rule 144A Notes and the Regulation S Notes Regarding Certain U.S. Legal Matters*" and "*Plan of Distribution*."

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Base Offering Memorandum has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area (each, a "**Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer of Notes in that Member State may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Member State), and includes any relevant implementing measure in the Member State.

NOTICE TO PROSPECTIVE INVESTORS IN FRANCE

This Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of securities in France (*offre au public de titres financiers*) within the meaning of Article L. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and, therefore, this Offering Memorandum or any other offering materials relating to the Notes have not been and will not be filed with the French *Autorité des marchés financiers* (the "AMF") for prior approval or submitted for clearance to the AMF and, more generally no prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Notes that has been approved by the AMF or by the competent authority of another Member State of the European Economic Area and notified to the AMF and to the Issuer.

The Dealers: (i) have not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France; (ii) have not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Memorandum or any other offering materials relating to the Notes; and (iii) confirm that such offers, sales and distributions have been and will only be made in France to persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), or qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L. 411-2 and D. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder. The direct or indirect distribution to the public in France of any Notes so acquired may be made only in accordance with the provisions of Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

The Dealers have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

The Dealers have complied and will comply with all applicable provisions of the FSMA with respect to anything done by each of them in relation to any Notes in, from or otherwise involving the United Kingdom.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with sales of Rule 144A Notes, for as long as any of the Rule 144A Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the relevant Issuer will furnish, upon the request of a holder of Rule 144A Notes or of a beneficial owner of an interest therein, or to a prospective purchaser of such Rule 144A Notes or beneficial interests designated by a holder of Rule 144A Notes or a beneficial owner of an interest therein, to such holder, beneficial owner or prospective purchaser, the information required to be delivered under Rule 144A(d)(4) under the Securities Act and will otherwise comply with the requirements of Rule 144A(d)(4) under the Securities Act, if at the time of such request, the relevant Issuer is not a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

LIMITATIONS ON ENFORCEMENT OF CIVIL LIABILITIES

The Bank 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 and executive officers and certain other parties named herein 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 Notes located outside of France to effect service of process upon the Bank or such persons in the home country of the holder or beneficial owner or to enforce against such 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.

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EXCHANGE RATE AND CURRENCY INFORMATION

In this Base Offering Memorandum, references to "euro," "EUR" and "€" refer to the lawful currency of the European Union introduced at the start of the third stage of European economic and monetary union on January 1, 1999 pursuant to the Treaty establishing the European Community (signed in Rome on March 25, 1957), 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. References to "cents" are to United States cents. Certain financial information contained herein and in any documents incorporated by reference herein is presented in euros. On April 21, 2017, the exchange rate as published by Bloomberg at approximately 3:25 PM (Paris time) was $1.0700 per one euro.

The following table shows the period-end, average, high and low the Noon Buying Rates in New York City for cable transfers payable in foreign currencies as certified by the Federal Reserve Bank of New York (the "Noon Buying Rates") for the euro, expressed in dollars per one euro, for the periods and dates indicated.

	Noon Buying Rate			
	Period End	**Average(*)**	**High**	**Low**
Year:				
2011	1.2973	1.3931	1.4875	1.2926
2012	1.3186	1.2859	1.3463	1.2062
2013	1.3779	1.3281	1.3816	1.2774
2014	1.2101	1.3297	1.3927	1.2101
2015	1.0859	1.1096	1.2015	1.0524
2016	1.0552	1.1072	1.1516	1.0375
2017 (through April 14, 2017)	1.0625	1.0657	1.0882	1.0416
Month:				
January 2017	1.0794	1.0635	1.0794	1.0416
February 2017	1.0564	1.0646	1.0802	1.0551
March 2017	1.0698	1.0691	1.0882	1.0514
April 2017 (through April 14, 2017)	1.0625	1.0633	1.0664	1.0606

* The average of the Noon Buying Rates on the last business day of each month (or portion thereof) during the relevant period for annual averages; on each business day of the month (or portion thereof) for monthly average.

Source: Federal Reserve Bank of New York.

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 dollar amounts referred to herein could have been or could be converted into dollars or euros, as the case may be, at any particular rate.

IMPORTANT CURRENCY INFORMATION

Purchasers are required to pay for each Note in the currency specified by the relevant Issuer for that Note in the relevant supplement. If requested by a prospective purchaser of a Note having a specified currency ("Specified Currency") other than U.S. dollars, a Dealer may at its discretion arrange for the exchange of U.S. dollars into the Specified Currency to enable the purchaser to pay for the Note. 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.

PRESENTATION OF FINANCIAL INFORMATION

The LLC is a wholly-owned subsidiary of the Bank. The Bank's New York Branch (the "Branch") and the LLC do not separately produce complete financial statements and, therefore, unless otherwise indicated, any reference in this Base Offering Memorandum to the "Financial Statements" is to the consolidated financial statements, including the notes thereto, of the Bank and its consolidated subsidiaries. The financial data presented in this Base Offering Memorandum are presented in euros.

The English language translation of the audited consolidated Financial Statements as at December 31, 2016, 2015 and 2014 and for the years ended December 31, 2016, 2015 and 2014, have been prepared in accordance with IFRS as adopted by the European Union. The audited non-consolidated Financial Statements of Natixis as at December 31, 2016 and for the year ended December 31, 2016 have been prepared in accordance with French accounting principles. The Group's fiscal year ends on December 31, and references in this Base Offering Memorandum to any specific fiscal year are to the twelve-month period ended December 31 of such year.

Certain financial information presented in the documents incorporated by reference constitute non-GAAP financial measures, which exclude certain items contained in the nearest IFRS financial measure or which include certain amounts that are not contained in the nearest IFRS financial measure.

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

Natixis analyzes its results of operations on the basis of the amounts reported in its consolidated income statement, and also its "recurring" results of operations, which exclude certain items that are considered "exceptional." Certain items may be classified as exceptional even though they are of a type that may be recorded in two or more fiscal years. Natixis believes that an analysis of its recurring results of operations is useful because it shows the results of its ongoing business without regard to items that may occur infrequently or in amounts that do not reflect ordinary business operations. A table reconciling recurring results of operations to reported results of operations appears in the Appendix to Section 4.1.3 on page 202 of the 2016 Registration Document and the Appendix to Section 4.1.3 on page 204 of the 2015 Registration Document. You should not place undue reliance on recurring results of operations, as the exceptional items excluded from these indicators require the use of resources and can affect the financial condition of Natixis.

CERTAIN TERMS USED IN THIS BASE OFFERING MEMORANDUM

The following terms will have the meaning set forth below when used in this Base Offering Memorandum:

"**Bank**" refers to Natixis, and the "Group" or the "Natixis Group" refers to the Bank together with its consolidated subsidiaries.

"**Banques Populaires**" means 15 Banques Populaires and their subsidiaries (made up of 13 regional banks, CASDEN Banque Populaire and Crédit Coopératif).

"**BPCE**" means BPCE SA, a *société anonyme à Conseil de Surveillance et Directoire*, or, as the context requires, Groupe BPCE or BPCE SA Group.

"**Branch**" means the New York branch of Natixis.

"**Caisses d'Epargne**" means the 17 Caisses d'Epargne et de Prévoyance.

"**Groupe BPCE**" means BPCE SA Group, the Banques Populaires, the Caisses d'Epargne and certain affiliated entities.

DOCUMENTS INCORPORATED BY REFERENCE

The Bank has incorporated by reference in this Base Offering Memorandum certain information that it has made publicly available, which means that it has disclosed important information to potential investors by referring them to those documents. The information incorporated by reference is an important part of this Base Offering Memorandum.

This Base Offering Memorandum should be read and construed in conjunction with the following documents incorporated by reference (the "Documents Incorporated by Reference"), which form part of this Base Offering Memorandum. The Documents Incorporated by Reference are comprised of:

a) the English translation of Chapter 4 ("Overview of the Fiscal Year") and Chapter 5 ("Financial Data"), of the 2014 Natixis registration document (*document de référence*) (the "2014 Natixis Registration Document"), a French version of which was filed with the AMF under registration number N°D.15-0128, dated March 12, 2015;

b) the English translation of Chapter 4 ("Overview of the Fiscal Year") and Chapter 5 ("Financial Data") of the 2015 Natixis registration document (*document de référence*) (the "2015 Natixis Registration Document"), a French version of which was filed with the AMF under registration number N°D.16-0127, dated March 10, 2016;

c) the English translation of the 2016 Natixis registration document (*document de référence*) (the "2016 Natixis Registration Document"), a French version of which was filed with the AMF under registration number N°D.17-0195, dated March 21, 2017;

d) the English translation of any future update to the 2016 Natixis Registration Document that may be filed with the AMF; and

e) all documents published by the Issuer and/or the Guarantor and stated to be incorporated in this Base Offering Memorandum by reference (together with any such documents indicated in the relevant supplement in respect of an issue).

Notwithstanding the foregoing, the following statements shall not be deemed incorporated herein:

- the statements by Mr. Laurent Mignon, Chief Executive Officer of the Issuer, on page 484 of the 2016 Natixis Registration Document;

- any statement made by the Chief Executive Officer on behalf of the Issuer referring to the *lettre de fin de travaux* included in any update to the 2016 Natixis Registration Document referred to in paragraph (c) above.

Any statement made in any document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Base Offering Memorandum to the extent that a statement contained in this document, in any supplement to this document, or in any document incorporated by reference herein in the future, modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Base Offering Memorandum.

The Documents Incorporated by Reference are available on the website of the Bank (www.natixis.com). Unless otherwise explicitly incorporated by reference into this Base Offering Memorandum in accordance with paragraphs (a) to (e) above, the information contained on the website of the Bank shall not be deemed incorporated by reference herein.

FORWARD-LOOKING STATEMENTS

Many statements made or incorporated by reference in this Base Offering Memorandum are forward-looking statements that are not based on historical facts and are not assurances of future results. Many of the forward-looking statements contained in this Base Offering Memorandum may be identified by the use of forward-looking words, such as "believe," "expect," "anticipate," "should," "planned," "estimate" and "potential," among others. The Issuers, the Guarantor and the Group may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their prospectuses, in press releases and in other written materials and in oral statements made by their officers, directors or employees to third parties. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. All forward-looking statements attributed to Natixis or a person acting on its behalf are expressly qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are made, and the Issuers, the Guarantor and the Group undertake no obligation to update publicly any of them in light of new information or future events.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, the Issuers' and the Guarantor's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of factors, including:

- The effects on the Group's organizational structure, including the influence of BPCE, the principal shareholder of Natixis;
- The risks to the Group inherent to banking activities including credit risks, market, liquidity and financing risks, operational risks and insurance risks;
- Risks to the Group relating to the volatile global and European market and weak economic conditions;
- The effects of the supervisory and regulatory regimes (including tax regulation, capital adequacy requirements and current and proposed statutory loss absorption mechanisms) in France, Europe and other jurisdictions in which Natixis and Groupe BPCE operate, which are becoming significantly more constraining as a result of the financial crisis;
- The risk that the Group may not achieve the objectives of its 2014-2017 strategic plan entitled "New Frontier," described in Section 3.1.2.4 of the 2016 Natixis Registration Document;
- Significant interest rate or exchange rate changes, or sustained low interest rates, that could adversely affect the Group's net banking income or profitability;
- Substantial increases in new provisions or a shortfall in the level of previously recorded provisions;
- Changes in accounting principles that may have an impact on financial results and cause Groupe BPCE to incur additional costs;
- Potential adverse impacts on the Group in the event of a failure of its risk management policies and hedging strategies; and
- Other factors described under "Risk Factors" in this Base Offering Memorandum, including in any documents incorporated by reference therein, and in the 2016 Natixis Registration Document.

Investors should carefully consider the sections entitled "Risk Factors" beginning on page 13 of this Base Offering Memorandum and in the 2016 Natixis Registration Document (beginning on page 112) incorporated by reference herein, and risk factors that may be described in any other document incorporated by reference herein in the future, for a discussion of risks that should be considered in evaluating the offer made hereby.

All forward-looking statements attributed to an Issuer or a person acting on its behalf are expressly qualified in their entirety by this cautionary statement.

SUMMARY

The following summary does not purport to be complete and is qualified by the remainder of this Base Offering Memorandum and, in relation to the terms and conditions of any particular Series of Notes, the applicable supplement or supplements, which may relate to a certain type of Notes (a "Product Supplement") or to a particular series of Notes (a "Pricing Supplement"). Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this summary.

Natixis US Medium-Term Note Program LLC

Natixis US Medium-Term Note Program LLC is a Delaware limited liability company formed on July 27, 2011. The LLC is a wholly-owned subsidiary of the Bank formed for the purpose of issuing the Notes and making the net proceeds of the issue thereof available to the Bank. The LLC's principal office is located at 1251 Avenue of the Americas, New York, NY 10020, United States, and its telephone number is (212) 891-6100. The LLC will not have any material activities other than in connection with the issuance of the Notes and related activities.

The Branch

The Bank operates the Branch pursuant to a license issued by the Superintendent of Financial Services of the State of New York (the "Superintendent") in 1976. The Branch conducts an extensive banking business serving U.S. customers and the Bank's French clients and their U.S. subsidiaries. The Branch's principal office is located at 1251 Avenue of the Americas, New York, NY 10020, United States and its telephone number is (212) 872-5000.

Natixis

Natixis is the international corporate, investment and financial services arm of the Groupe BPCE, a leading French mutual banking group that includes two French retail banking networks (the Banque Populaire and the Caisse d'Epargne networks), and a number of entities that are affiliates of BPCE, including Natixis. Groupe BPCE's structure is described in more detail below.

Natixis has a diversified base of activities, an extensive customer base and a broad international presence. Natixis has three core business lines:

- Corporate & Investment Banking (which includes coverage, global markets, global finance, global transaction banking, investment banking and mergers & acquisitions),
- Investment Solutions & Insurance (which includes asset management, private banking and life & non-life insurance), and
- Specialized Financial Services (which includes factoring, sureties and financial guarantees, leasing, consumer finance, film industry financing, employee savings schemes, payment platform services and securities custody services, distributed mainly through the two retail banking networks of the Groupe BPCE).

Natixis also holds interests in certain non-core businesses referred to as "Financial Investments."

At December 31, 2016, the Natixis group had €527.9 billion of consolidated assets and €19.8 billion of consolidated shareholders' equity, group share. Natixis recorded consolidated net revenues of €8,718 million and net income (group share) of €1,374 million in 2016.

Natixis is listed on Euronext Paris. Its primary shareholder is BPCE, which holds 71.03% of its share capital (excluding treasury shares) as of December 31, 2016. The remainder is held by the public.

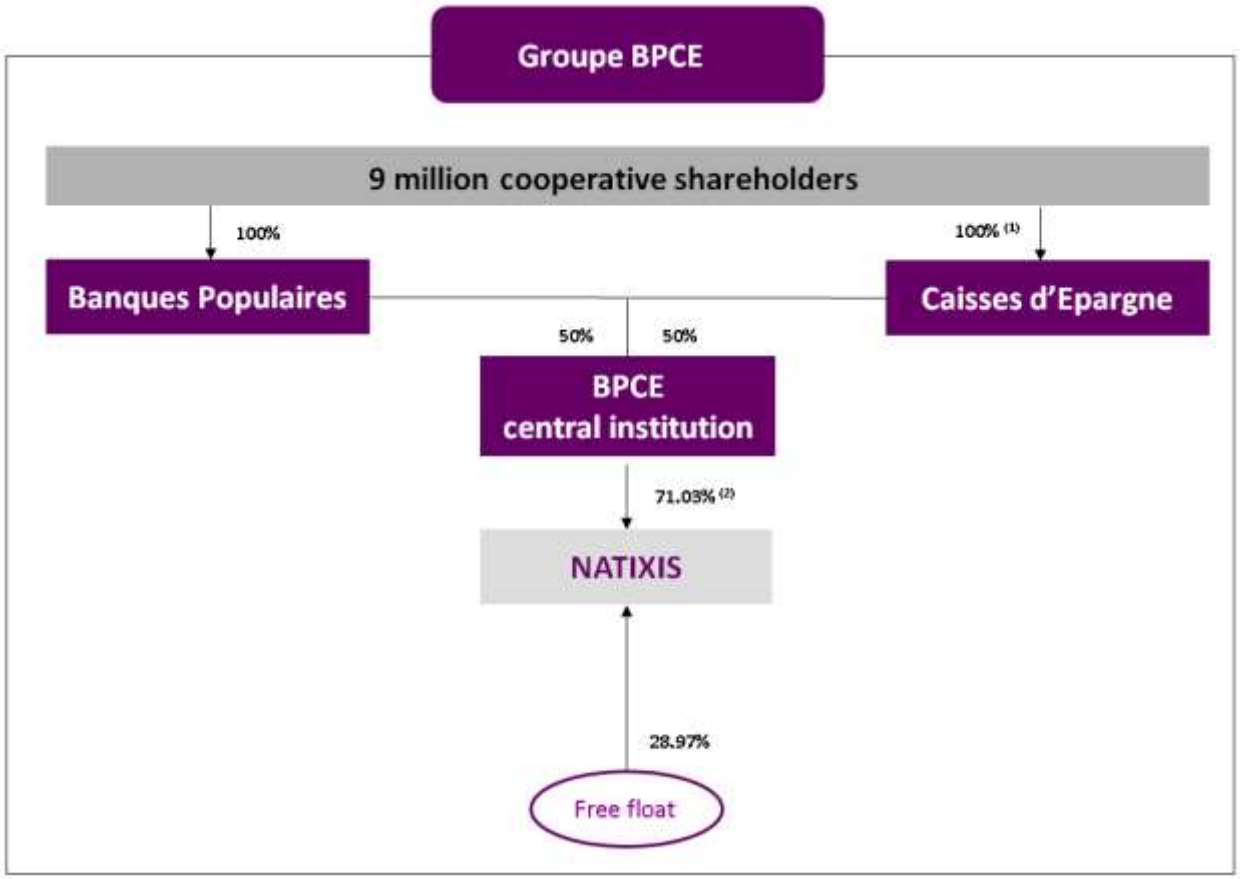
Natixis is a *société anonyme à conseil d'administration* (a limited liability company with a board of directors) and a credit institution licensed as a bank in France, with its registered office at 30 avenue Pierre Mendès France, 75013 Paris, France.

The Groupe BPCE Structure

The Groupe BPCE is a mutual banking group. All of the voting shares of BPCE are owned by the regional Banques Populaires and Caisses d'Epargne banks (50% for each network), which are in turn owned directly or indirectly by approximately 9 million cooperative shareholders, who are primarily customers. BPCE owns interests in subsidiaries and affiliates such as Natixis (71.03% of Natixis' share capital, excluding treasury shares) and Crédit Foncier de France, a major French real estate lender (100%).

As the central institution (*organe central*) of the Groupe BPCE, BPCE's role is to coordinate policies and exercise certain supervisory functions with respect to the regional banks and other affiliated French banking entities (including Natixis), and to ensure the liquidity and solvency of the entire group. In accordance with French law, BPCE has established a financial solidarity mechanism under which each network bank and each affiliated French credit institution in the Groupe BPCE (including Natixis) benefits from an undertaking from all of the network banks and BPCE to provide financial support as needed (three guarantee funds, managed by BPCE, collectively amounting to €1.286 billion as at December 31, 2016, have been established to support the solidarity mechanism). As a result, the credit of Natixis is effectively supported by the financial strength of the entire Groupe BPCE. The financial solidarity mechanism is described in more detail in Section 1.2.2 of the 2016 Natixis Registration Document.

The following graph illustrates the Groupe BPCE's structure:



(1) Indirectly through Local Savings Companies
(2) Percentage of share capital (excluding treasury shares)

Use of Proceeds

Unless otherwise indicated in the applicable Product or Pricing Supplement(s), the LLC will on-lend the net proceeds it receives from any offering of its Notes to the Bank. Unless otherwise indicated in the Product and/or Pricing Supplement(s), the Bank will use the net proceeds it receives from any offering of the Notes (whether directly by it or through on-lending from the LLC) for general corporate purposes. The Bank or one or more of its affiliates may use a portion of the proceeds from the issue and/or sale of credit-, equity-, index-linked or other Notes to hedge its exposure, including transactions with affiliated counter-parties, to payments that it may have to make on such credit-, equity-, index-linked or other Notes as described in the applicable Product or Pricing Supplement(s).

Terms of the Notes

*The following summarizes the terms of the Notes the Issuer may issue from time to time under this Base Offering Memorandum. The terms contained in the first section below are applicable to all series of Notes that may be issued hereunder. Terms specific to the 3(a)(2) Notes and the 144A Notes and Regulation S Notes are indicated in the second and third sections below. For a further description of the terms and conditions of the Notes, see "*Description of the Notes*" and "*Terms and Conditions of the Notes.*"*

Issuers	Natixis and Natixis US Medium-Term Note Program LLC. Each Series of Notes will be issued by one of the Issuers, as specified in the applicable Product and/or Pricing Supplement(s). The 3(a)(2) Notes may be issued by Natixis or by the LLC. The 144A Notes and Regulation S Notes will be issued only by Natixis.

I. Terms Applicable to All Notes

Offered Amount	The Issuers may use this Base Offering Memorandum to offer an aggregate principal amount of Notes of up to U.S.$5 billion, or its equivalent in other currencies.
Maturities	Any maturity in excess of one day, or in any case such other minimum maturity as may be required from time to time by the relevant regulatory authority. No maximum maturity is contemplated.
Issue Price	Notes may be issued at par or at a discount from, or premium over, par and either on a fully paid or partly paid basis. The Notes may be offered by Dealers at a fixed price or at a price that varies depending on market conditions.
Currencies	Notes may be denominated in any currency or currencies agreed upon between the relevant Issuer and the relevant Dealers, subject to compliance with all applicable legal and regulatory restrictions. Payments in respect of an issue of Notes may, subject to applicable legal and regulatory compliance, be made in and linked to any currency or currencies.
Form of Notes	Unless otherwise specified in the applicable Product and/or Pricing Supplement(s), Notes 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. Investors may hold a beneficial interest in Notes through DTC, or through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") or Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"), in each case as a participant in DTC, or indirectly through financial institutions that are participants in any of those systems.

	Owners of beneficial interests in Notes generally will not be entitled to have their Notes registered in their names, will not be entitled to receive certificates in their names evidencing their Notes and will not be considered the holder of any Notes under the Fiscal and Paying Agency Agreement (as defined herein) for the Notes.
Status of the Notes.....	Unless otherwise specified in the applicable Product and/or Pricing Supplement(s), the Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will at all times rank *pari passu* without any preference among themselves. The payment obligations of the relevant Issuer under the Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of such Issuer.
Fixed Rate Notes	Fixed rate notes ("Fixed Rate Notes") will bear interest at the rate set forth in the applicable Product and/or Pricing Supplement. Interest on Fixed Rate Notes will be payable on the dates specified in the applicable Product and/or Pricing Supplement and on redemption. Interest will be calculated on the basis of the Day Count Fraction (as defined in the Terms and Conditions) agreed to between the relevant Issuer and the relevant Dealers and specified in the applicable Product and/or Pricing Supplement(s).
Floating Rate Notes	Floating rate notes ("Floating Rate Notes") will bear interest at a rate calculated: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency (as defined in the Terms and Conditions) governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to the benchmark specified in the relevant Product and/or Pricing Supplement(s) (LIBOR, LIBID, LIMEAN, EURIBOR or another benchmark) as adjusted for any applicable margin; or (iii) as otherwise specified in the relevant Product and/or Pricing Supplement(s). Interest periods will be specified in the relevant Product and/or Pricing Supplement(s). Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both. The margin, if any, in respect of the floating interest rate will be agreed to between the relevant Issuer and the relevant Dealers.

	Interest on Floating Rate Notes will be payable and will be calculated as specified, prior to issue, in the applicable Product and/or Pricing Supplement(s). Interest will be calculated on the basis of the Day Count Fraction agreed to between the relevant Issuer and the relevant Dealers and set forth in the applicable Product and/or Pricing Supplement(s).
Dual Currency Notes	Payments, whether in respect of principal or interest and whether at maturity or otherwise, in respect of dual currency notes ("Dual Currency Notes") will be made in such currencies and based upon such rates of exchange agreed to between the relevant Issuer and the relevant Dealers and set forth in the applicable Product and/or Pricing Supplement(s).
Linked Notes	Payments, whether in respect of principal or interest and whether at maturity or otherwise, in respect of linked notes ("Linked Notes") will be calculated by reference to the index, underlying assets and/or formula agreed to between the relevant Issuer and the relevant Dealers and set forth in the applicable Product and/or Pricing Supplement(s). Linked Notes may be subject to redemption by physical delivery of underlying assets if specified in the applicable Product and/or Pricing Supplement(s).
Zero Coupon Notes.....	Zero coupon notes ("Zero Coupon Notes") will not bear interest other than in relation to interest due after the maturity date.
Other Notes.....	Terms applicable to any other kinds of Note that the relevant Issuer and any Dealers may agree from time to time to issue will be set forth in the applicable Product and/or Pricing Supplement(s).
Redemption.....	The applicable Product and/or Pricing Supplement(s) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity, other than in specified installments, if applicable, or for taxation reasons or following an Event of Default (as defined herein), or that such Notes will be redeemable at the option of the relevant Issuer and/or the holders of the Notes upon giving notice to the holders of the Notes or to such Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms, if any, agreed to between such Issuer and the relevant Dealers and set forth in the applicable Product and/or Pricing Supplement(s).
Repurchase	The relevant Issuer and any of its affiliates may at any time purchase Notes in the open market or otherwise and at any price. Such Notes may be held, reissued or, at the option of the Issuer, surrendered to the Registrar for cancellation (subject to any requirements of French law, in the case of Notes issued by Natixis).
Negative Pledge.....	The terms of the Notes will contain a negative pledge provision as described under Condition 2(b) (*Negative Pledge*) in "*Terms and Conditions of the Notes.*"

Events of Default	Events of Default in respect of the Notes will include failure to pay principal or interest, failure to comply with other obligations, in each case subject to certain grace periods described herein and cross default, as well as any merger involving the Issuer where the surviving entity does not assume the Issuer's obligations under the Notes, and certain bankruptcy, insolvency and similar events.
Bail-In	The Notes issued by Natixis may be written down or converted to equity of Natixis if Natixis becomes subject to a resolution procedure under the European Bank Recovery and Resolution Directive as adopted in France. Furthermore, if Natixis becomes subject to such a resolution procedure, Holders of Notes issued by the LLC ("LLC Notes") will be entitled to the same amount of payment, and in the same form, as such Holders would have been entitled to if their LLC Notes had been issued by Natixis. In the event such resolution procedure would have caused LLC Notes to be converted to equity if they had been issued directly by Natixis, then such equity will be distributed by the LLC to the Holders in satisfaction of the applicable LLC Note or portion thereof. See Condition 16 (*Statutory Write-Down or Conversion*) in "*Terms and Conditions of the Notes*." In any such event, the Guarantee will, by its terms, cover only the reduced amount of the 3(a)(2) Notes, if any. See "*Risk Factors – Risks Related to the Notes*," "*Government Supervision and Regulation of Credit Institutions in France*" and "*Guarantee of the 3(a)(2) Notes*."
Rating	A2 (Moody's Investor Services, Inc.) and A (Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.). 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. Neither the rating agency nor the relevant Issuer or the Guarantor is obligated to provide you with any notice of any suspension, change or withdrawal of any rating.
Listing	The Issuers do not expect to list the Notes on any stock exchange or automated quotation system, although they may do so with respect to a particular Series of Notes. The Product and/or Pricing Supplement(s) for each issue of Notes will state whether, and on what stock exchanges, if any, the relevant Notes will be listed.
Governing Law	The Notes will be governed by, and construed in accordance with, the laws of the State of New York; except that Condition 2(a) (*Status*) of the Notes (which governs their status) will be governed by, and construed in accordance with, French law in the case of Notes issued by the Bank.
Legal and Regulatory Requirements	Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will be issued only in circumstances that comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.

Distribution.....	The Issuers may sell Notes (i) to or through underwriters or dealers, whether affiliated or unaffiliated, (ii) directly to one or more purchasers, (iii) through the Dealers, or (iv) through a combination of any of these methods of sale. Each Pricing Supplement will explain the ways in which the relevant Issuer intends to sell a specific issue of Notes, including the names of any underwriters, agents or dealers and details of the pricing of the issue of Notes, as well as any commissions, concessions or discounts such Issuer is granting the underwriters, agents or dealers.
Fiscal and Paying Agent.....	The Bank of New York Mellon.
Registrar	The Bank of New York Mellon.
Calculation Agent.....	Natixis, or as otherwise specified in the applicable Product and/or Pricing Supplement(s).

II. Terms Applicable to the 3(a)(2) Notes

Issuer	The Issuer of the 3(a)(2) Notes will be Natixis or the LLC.
Guarantor of the 3(a)(2) Notes	The Bank, acting through its New York Branch.
Guarantee.....	The obligations of the relevant Issuer to pay principal, interest and other amounts under the 3(a)(2) Notes will be guaranteed by the Guarantor. In the event of a write-down or conversion to equity of any 3(a)(2) Notes in connection with a resolution procedure relating to Natixis, the Guarantee by its terms will cover only the reduced amount of the 3(a)(2) Notes, if any. The Guarantor's obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor (acting through the Branch) and will at all times rank *pari passu* without any preference among themselves. The payment obligations of the Guarantor under the 3(a)(2) Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of the Bank.
Denominations.....	Unless otherwise indicated in the relevant Product and/or Pricing Supplement(s), the 3(a)(2) Notes will be issued in denominations of $100,000 and integral multiples of $1,000 in excess thereof.
Governing law of the Guarantee.....	The Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; except that the provisions of the Guarantee relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law.

Conflicts of Interest	Natixis Securities Americas LLC is a broker-dealer subsidiary of the Bank, an affiliate of the Guarantor and the LLC and a Dealer for the Notes offered hereby. As a result, a conflict of interest under FINRA Rule 5121 is deemed to exist, and any offer or sale of the Notes by Natixis Securities Americas LLC will be conducted in accordance with the applicable provisions of such rule. See "*Plan of Distribution–Conflicts of Interest*."
No Registration.....	The Issuers have not registered, and will not register, the 3(a)(2) Notes under the Securities Act or any other state securities laws.

III. Terms Applicable to the Rule 144A Notes and the Regulation S Notes

Issuer	The Issuer of the Rule 144A Notes and the Regulation S Notes will be Natixis. For the avoidance of doubt, the Rule 144A Notes and the Regulation S Notes will not be guaranteed by the Guarantor.
Denominations.....	Unless otherwise indicated in the relevant Product and/or Pricing Supplement(s), the Rule 144A Notes and the Regulation S Notes will be issued in denominations of $250,000 and integral multiples of $1,000 in excess thereof.
Transfer Restrictions.....	The Rule 144A Notes and the Regulation S Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws. The Rule 144A Notes are being offered and sold in the United States only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, and the Regulation S Notes are being offered and sold outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act, as applicable. See "*Notice to U.S. Investors in the Rule 144A Notes and the Regulation S Notes Regarding Certain U.S. Legal Matters*."
No Registration.....	Natixis has not registered, and will not register, the Rule 144A Notes or the Regulation S Notes under the Securities Act or any state securities laws.

SUMMARY FINANCIAL DATA

The following tables present summary financial data concerning Natixis as of and for the years ended December 31, 2014, 2015 and 2016, which were derived from the English language translation of the consolidated financial statements of Natixis that were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Investors should read the following summary consolidated financial and operating data together with the section entitled "Management Report" and the consolidated financial statements, the related notes thereto and the other financial information included in the 2015 Natixis Registration Document and the 2016 Natixis Registration Document, each of which is incorporated by reference herein.

Summary Consolidated Balance Sheet	**At December 31,**		
	2014	**2015**	**2016**
		(in millions of euros)	
Assets			
Financial assets at fair value through profit and loss	254,560	191,639	187,628
Available-for-sale financial assets	44,816	52,673	54,990
Loans and receivables to banks	71,718	71,462	58,783
Customer loans and receivables	107,224	107,189	140,303
Held-to-maturity financial assets	2,763	2,298	2,066
Other assets	109,343	74,996	84,089
Total Assets	**590,424**	**500,257**	**527,859**
Liabilities and Shareholders' Equity			
Financial liabilities at fair value through profit and loss	220,622	158,990	146,226
Due to banks	134,988	113,743	101,374
Customer deposits	60,860	64,090	86,472
Debt securities	56,583	40,426	48,921
Insurance companies' technical reserves	50,665	52,915	68,810
Other liabilities	42,537	44,723	50,715
Subordinated debt	4,008	4,869	4,209
Minority interests	1,289	1,341	1,296
Equity group share	18,872	19,160	19,836
Total Liabilities and Shareholders' Equity	**590,424**	**500,257**	**527,859**

Summary Consolidated Income Statement	Year ended December 31,		
	2014	2015	2016
			(in millions of euros)
Net revenues	**7,512**	**8,704**	**8,718**
Gross operating income/(loss)	**2,073**	**2,749**	**2,480**
Provision for credit losses	(302)	(291)	(305)
Net operating income/(loss)	**1,771**	**2,458**	**2,174**
Share in income from associates	40	46	13
Net income/(loss) for the period attributable to equity holders of the parent	**1,138**	**1,344**	**1,374**

Natixis' Capital Ratios

As of December 31, 2016, based on CRD IV/Basel III standards, Natixis' Common Equity Tier 1 ratio stood at 10.8%, its Tier 1 ratio at 12.3% and its total capital ratio at 14.5% (in each case taking account of transitional measures).

RISK FACTORS

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

No investment should be made in the Notes until after careful consideration of all those factors that are relevant in relation to the Notes.

RISKS RELATING TO NATIXIS

Risks relating to Natixis' operations and the banking sector

Natixis is subject to several categories of risks inherent in banking activities

There are four main categories of risks inherent in Natixis' activities, which are summarized below. The risk factors that follow elaborate on or give specific examples of these different types of risks, and describe certain additional risks faced by Natixis.

- *Credit Risk.* Credit risk is the risk of financial loss relating to the failure of a counterparty to honor its contractual obligations. The counterparty may be a bank, a financial institution, an industrial group or a commercial enterprise, a government and its various entities, an investment fund, or a natural person. Credit risk increases in periods of economic uncertainty, insofar as such conditions may lead to a higher rate of default. Credit risk arises from lending activities as well as from various other activities where Natixis is exposed to the risk of counterparty default, such as its trading, capital markets, derivatives and settlement activities. With respect to home loans, the degree of credit risk also depends on the value of the property serving as collateral for the loan in question. Credit risk may also arise in connection with the factoring businesses of Natixis, although the risk relates to the credit of the counterparty's customers, rather than the counterparty itself.

- *Market and Liquidity Risk.* Market risk is the risk of losses due mainly to unfavorable changes in market parameters. These parameters include, but are not limited to, foreign exchange rates, bond prices and interest rates, securities and commodities prices, derivatives prices, credit spreads on financial instruments and prices of other assets such as real estate.

  Liquidity is also an important component of market risk. In instances of insufficient or non-existent liquidity, a market instrument or transferable asset may not be negotiable at its estimated value (as was the case for some categories of assets at the height of the recent global financial crisis). A lack of liquidity can arise due to diminished access to capital markets, withdrawal of deposits by customers, unforeseen cash or capital requirements or legal restrictions. Liquidity risk also may arise due to a mismatching of maturities between assets and liabilities. As a corporate and investment bank, this risk for Natixis results primarily from mismatched positions between transactions with contractual maturities, as Natixis partly funds its operations on the market.

  Market risk arises in trading portfolios and in non-trading portfolios. In non-trading portfolios, it encompasses:

  - the risk associated with asset and liability management, which is the risk to earnings arising from asset and liability mismatches in the banking book or in the insurance business. This risk is driven primarily by interest rate risk;

- the risk associated with investment activities, which is directly connected to changes in the value of invested assets within securities portfolios, which can be recorded either in the income statement or directly in shareholders' equity;

- the risk associated with certain other activities, such as real estate, which is indirectly affected by changes in the value of negotiable assets; and

- concentration risk, which maps the biggest areas of exposure as well as non-diversified exposure.

- *Operational Risk.* Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Internal processes include, but are not limited to, human resources and information systems, risk management and internal controls (including fraud prevention). External events include floods, fires, windstorms, earthquakes or terrorist attacks. Legal risk is also a component of operational risk.

- *Insurance Risk*. Insurance risk is the risk to earnings due to mismatches between expected and actual claims. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics, accidents and catastrophic events (such as earthquakes, windstorms, industrial disasters, or acts of terrorism or war).

Recent economic and financial conditions in Europe have had and may continue to have an impact on Natixis and the markets in which it operates

Natixis' businesses are sensitive to changes in the financial markets and more generally to economic conditions in France, Europe and the rest of the world.

European markets have recently experienced significant disruptions that have affected economic growth and continue to be subject to significant market volatility and challenging market conditions. Initially originating from concerns regarding the ability of certain countries in the euro-zone to refinance their debt obligations, these disruptions have created uncertainty more generally regarding the near-term economic prospects of countries in the European Union, as well as the quality of debt obligations of sovereign debtors in the European Union. There has also been an indirect impact on financial markets in Europe and worldwide.

While Natixis' holdings of sovereign bonds affected by the crisis has been limited, Natixis has been indirectly affected by the spread of the consequences of the euro-zone crisis, which has affected most countries in the euro-zone, including the group's home market of France. The credit ratings of French sovereign obligations were downgraded by certain rating agencies in recent years, in some cases resulting in the mechanical downgrading by the same agencies of the credit ratings of French commercial banks' senior and subordinated debt issues, including those of Natixis. More recently, anti-austerity sentiment has led to political uncertainty in certain European countries, and financial and banking markets have been affected by other factors, such as certain unconventional economic support programs introduced by the European Central Bank (the "**ECB**") and other central banks, as well as uncertainty regarding the pace of interest rate increases in the United States. Financial markets have also experienced sharp market volatility in response to a variety of events, including the slump in oil and commodity prices, the slowdown in the emerging market economies and turmoil in equity markets, among others.

More recently, the market environment has been marked by significant political volatility resulting from major events such as the decision of the United Kingdom to leave the European Union and the election of a new administration in the United States. While major stock market indices were not adversely affected in the immediate aftermath of these events, the impact of political volatility has been more significant in currency markets and fixed income markets, which underwent a reversal towards the end of the year as yield curves steepened substantially. Political uncertainty is continuing in 2017, when several key European countries will hold national elections, including the group's home market of France. Uncertainty over the French political situation has impacted spreads on French sovereign debt obligations and, depending on the outcome, could significantly affect economic and political conditions in the French market and regionally.

If economic or market conditions in France or elsewhere in Europe were to deteriorate further, the markets in which Natixis operates could be more significantly disrupted, and its business, results of operations and financial condition could be adversely affected.

Legislative action and regulatory measures in response to the global financial crisis may materially impact Natixis and the financial and economic environment in which the group operates

Legislation and regulations have recently been enacted or proposed with a view to introducing a number of changes, some permanent, in the global financial environment. While the objective of these new measures is to avoid a recurrence of the global financial crisis, the new measures have changed substantially, and may continue to change, the environment in which Natixis and other financial institutions operate.

The measures that have been or may be adopted include more stringent capital and liquidity requirements (particularly for large global institutions and groups such as Groupe BPCE), taxes on financial transactions, limits or taxes on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (particularly proprietary trading and investment and ownership in private equity funds and hedge funds), new ring-fencing requirements relating to certain activities, restrictions on the types of entities permitted to conduct swaps activities, restrictions on certain types of activities or financial products such as derivatives, mandatory write-downs or conversions into equity of certain debt instruments, enhanced recovery and resolution regimes, revised risk-weighting methodologies (particularly with respect to insurance businesses), periodic stress testing and the creation of new and strengthened regulatory bodies, including the transfer in 2014 of certain supervisory functions to the ECB. Some of the new measures are proposals that are under discussion and that are subject to revision and interpretation, and need adapting to each country's framework by national regulators. For further information, see "*Government Supervision and Regulation of Credit Institutions in France*" and "*Supervision and Regulation of the Branch in the United States*."

As a result of some of these measures, Natixis has reduced, and may further reduce the size of certain of its activities in order to comply with the new requirements. These measures may also increase compliance costs. This could lead to reduced consolidated revenues and profits in the relevant activities, the reduction or sale of certain operations and asset portfolios, and asset-impairment charges.

Certain of these measures may also increase Natixis' funding costs. For example, on November 9, 2015, the Financial Stability Board finalized international standards through the publication of a term sheet (the "**FSB TLAC Term Sheet**") that, if adopted and implemented in France, would require "Global Systemically Important Banks" (including Groupe BPCE) to maintain significant amounts of liabilities that are subordinated (by law, contract or structurally) to certain excluded liabilities, such as guaranteed or insured deposits and derivatives. It would also require that the proceeds of such liabilities be "pre-positioned" in material subsidiaries or sub-groups (such as Natixis) within banking groups to facilitate effective resolution strategies. These so-called "TLAC" (or "total loss absorbing capacity") requirements are intended to ensure that losses are absorbed by shareholders and creditors, other than creditors in respect of excluded liabilities, rather than being borne by government support systems. The TLAC requirements will, if adopted and implemented in France, apply in addition to capital requirements applicable to Groupe BPCE and Natixis.

On November 23, 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including the CRD IV Directive, the CRD IV Regulation, the BRRD and the Single Resolution Mechanism Regulation (as these terms are defined herein). If adopted, these legislative proposals would, among other things, give effect to the FSB TLAC Term Sheet and modify the requirements applicable to the "minimum requirement for own funds and eligible liabilities" ("MREL"). The implementation of the current texts and the new proposals, their application to Natixis and Groupe BPCE and the taking of any action thereunder is currently uncertain. If these proposals are adopted in their current form, they could significantly impact Natixis' and Groupe BPCE's funding operations and increase Natixis' and Groupe BPCE's financing costs

Moreover, the general political environment has evolved unfavorably for banks and the financial industry, resulting in additional pressure on legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures can have adverse consequences on lending and other financial activities, and on the economy. A number of regulatory measures that could have an effect on Natixis' business and results of operations have been adopted or are in process with the relevant legislators or regulators, including the Basel Committee's review of the standardized approach for credit risk and revisions to the Markets in Financial Instruments Directive (MiFID II). Because of the continuing uncertainty regarding the new legislative and regulatory measures, it is not possible to predict what impact they will have on Natixis.

Natixis must maintain high credit ratings or its business and profitability could be adversely affected

Credit ratings have a significant impact on the liquidity of Natixis. A downgrade in credit ratings could adversely affect the liquidity and competitive position of Natixis, increase borrowing costs, limit access to the capital markets, adversely affect the market value of the Notes or trigger obligations under certain bilateral provisions in some trading, derivatives and collateralized financing contracts. The credit ratings of Natixis have been downgraded in the past, and could be downgraded in the future.

Natixis' cost of obtaining long-term unsecured funding is directly related to its credit spreads (the amount in excess of the interest rate of government securities of the same maturity that is paid to debt investors), which in turn depend in large part on its credit ratings. Increases in credit spreads can significantly increase Natixis' cost of funding. Changes in credit spreads are market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of issuer creditworthiness. In addition, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to Natixis' debt obligations, which is influenced both by the credit quality of those obligations, and by a number of market factors that are beyond Natixis' control.

There is no guarantee that the targets of Natixis' strategy will be reached

Natixis is implementing a 2014-2017 Strategic Plan entitled "New Frontier", which is in line with Groupe BPCE's strategic plan and aims to create a value-added customer solutions bank. The "New Frontier" strategic plan contemplates a number of initiatives, including 4 investment priorities: (i) becoming an "asset-light" bank, (ii) pursuing and stepping up the bank's international expansion, and (iii) creating a single insurance division for the Group and (iv) continuing to identify and develop synergies with the networks of Caisses d'Epargne and Banque Populaire banks. The 2014-2017 Strategic Plan and initiatives thereunder taken in 2016, as well as certain risks related thereto, are discussed in more detail in the 2016 Natixis Registration Document, which is incorporated by reference herein. See the section entitled "*Documents Incorporated by Reference*" in this Base Offering Memorandum. The 2014-2017 Strategic Plan is aimed at optimizing capital allocation, adapting business models, ensuring operational efficiency and developing revenues from products distributed through Groupe BPCE's retail banking networks. While Natixis believes that these strategic directions provide a number of opportunities, it will continue to face uncertainties given the current state of the global economy, and there is no guarantee the targets of this new strategy will be reached. In addition, should Natixis decide to dispose of certain of its operations, the selling price could be lower than expected and Natixis might continue to bear significant risks stemming from these operations as a result of liability guarantees or indemnities that it might have to grant to the buyers.

Groupe BPCE and Natixis have announced that they intend to publish their strategic plan for 2018-2020 in November 2017. The ability of Groupe BPCE and Natixis to meet the objectives set forth in the 2018-2020 strategic plan will be subject to the same types of uncertainties as those described above in respect of the 2014-2017 Strategic Plan. If Groupe BPCE and Natixis do not realize the objectives of the 2018-2020 strategic plan, their financial condition and the value of their financial instruments could be adversely affected.

A substantial increase in provisions or a shortfall in the level of previously recorded provisions in respect of Natixis' loan and receivables portfolio could adversely affect Natixis' results of operations and financial condition

In connection with its lending activities, Natixis periodically establishes provisions, whenever necessary, to reflect actual or potential losses with respect to its loan and receivables portfolio, which are recorded in its income statement under "Provision for credit losses." Natixis' overall level of provisions is based upon its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although Natixis uses its best efforts to establish an appropriate level of provisions, its lending activities may cause it to have to increase its provisions for loan losses in the future as a result of increases in non-performing assets or for other reasons, such as deteriorating market conditions or factors affecting particular countries, deteriorating economic conditions, increases in defaults and bankruptcies, or for other reasons. Any significant increase in provisions for loan losses or a significant change in Natixis' estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of

loan losses in excess of the provisions allocated with respect thereto, would have an adverse effect on Natixis' results of operations and financial condition.

Changes in the fair value of Natixis' securities and derivatives portfolios and its own debt could have an impact on the carrying value of such assets and liabilities, and thus on its net income and shareholders' equity

The carrying values of Natixis' securities and derivatives portfolios and certain other assets, as well as its own debt in its balance sheet, are adjusted as of each financial statement date. Most of the adjustments are predominantly made on the basis of changes in fair value of the assets or liabilities during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the fair value of other assets, affect net banking income and, as a result, net income. All fair value adjustments affect shareholders' equity and, as a result, Natixis' capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

Natixis' ability to attract and retain qualified employees is critical to the success of its business and failure to do so may significantly affect its performance

Natixis' employees are one of its most important resources. In many areas of the financial services industry, competition for qualified personnel is intense. Natixis' results depend on its ability to attract new employees and to retain and motivate its existing employees. Changes in the business environment (including taxes or other measures designed to limit compensation of banking sector employees) may cause Natixis to move employees from one business to another or to reduce the number of employees in certain of its businesses, which may cause temporary disruptions as employees adapt to new roles and may reduce Natixis' ability to take advantage of improvements in the business environment. This may impact Natixis' ability to take advantage of business opportunities or potential efficiencies.

Future events may differ from those reflected in the assumptions used by management in the preparation of Natixis' financial statements, which may expose Natixis to unexpected future losses

Pursuant to the IFRS standards and interpretations currently in force, Natixis is required to use certain estimates in the preparation of its financial statements, including accounting estimates to determine provisions relating to non-performing loans and receivables, provisions relating to possible litigation, and the fair value of certain assets and liabilities, among other items. If the values used for these items by Natixis should prove to be significantly inaccurate, particularly in the event of significant and/or unexpected market trends, or if the methods by which they are determined should change under future IFRS standards or interpretations, Natixis may be exposed to unexpected losses.

Natixis may incur significant losses on its trading and investment activities due to market fluctuations and volatility

As part of its trading and investment operations, Natixis takes positions in the fixed income, currency, commodity and equity markets, as well as in unlisted securities, real estate and other asset classes. These positions can be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of such market's levels. Volatility can also lead to losses relating to a broad range of other trading and hedging products Natixis uses, including swaps, futures, options and structured products, if they prove to be insufficient or excessive in relation to Natixis' expectations.

To the extent that Natixis owns assets, or has net long positions, in any of those markets, a downturn in those markets can result in losses due to a decline in the value of its net long positions. Conversely, to the extent that Natixis has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets can expose it to losses as it attempts to cover its net short positions by acquiring assets in a rising market. Natixis may from time to time have a trading strategy of holding a long position in one asset and a short position in another, from which it expects to earn net revenues based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that Natixis did not anticipate or

against which it is not hedged, Natixis might realize a loss on those paired positions. Such losses, if significant, could adversely affect Natixis' results of operations and financial condition.

Natixis may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns

A market downturn is likely to lead to a decline in the volume of transactions that Natixis executes for its customers and as a market maker, thus reducing net revenues from these activities. In addition, because the fees charged by Natixis to its customers for managing their portfolios are often based on the value or performance of the portfolios, a market downturn that reduces the value of these portfolios or increases the amount of redemptions would reduce Natixis' revenues from its asset management and private banking businesses.

Even in the absence of a market downturn, any under-performance of Natixis' asset management business may result in a decline in assets under management (in particular, as a result of redemptions of mutual funds) as well as fees, premiums and other portfolio management income earned by Natixis.

An economic environment characterized by sustained low interest rates could adversely affect the profitability and financial condition of Groupe BPCE and Natixis

In recent years, global markets have been characterized by low interest rates, and there are indications that this low interest rate environment may persist for an extended period of time. Sustained periods of low interest rates can have an adverse effect on the profitability of certain of Natixis' insurance activities because it may not be able to generate an investment return greater than or equal to the premiums paid out on certain of its insurance products. In particular, sustained low interest rates could dilute the returns of the fund of Natixis Assurance (Natixis' insurance division), which would reduce its profit margin on euro-denominated insurance policies. In addition, despite the relatively rapid turnover of Natixis' assets, a sustained period of low interest rates could result in an overall decrease in the average interest rate of Natixis' asset portfolios. If market interest rates were to rise in the future, a portfolio featuring significant amounts of lower interest assets as a result of an extended period of low interest rates would be expected to decline in value. If Natixis' hedging strategies are ineffective or provide only a partial hedge against such a change in value, it could incur losses. An environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premiums generated by Natixis from its funding activities and negatively affect its profitability and financial condition. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility.

Significant interest rate changes could adversely affect Natixis' interest income and/or profitability

The amount of interest income earned by Natixis during any given period affects its overall net revenues and profitability for that period. In addition, significant changes in credit spreads can impact the results of operations of Natixis. Interest rates are highly sensitive to many factors beyond the control of Natixis. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. In addition, increases in the interest rates at which short-term funding is available and maturity mismatches may adversely affect Natixis' profitability. Increases in interest rates, high interest rate levels, low interest rate levels and/or widening credit spreads, especially if such changes occur rapidly and/or persist over time, may create a less favorable environment for certain banking businesses.

Changes in exchange rates can significantly affect Natixis' results

Natixis conducts a significant portion of its business in currencies other than the euro, in particular in the United States dollar, and its net revenues and results of operations can be affected by exchange rate fluctuations. While Natixis incurs expenses in currencies other than the euro, the impact of these expenses only partially compensates for the impact of exchange rate fluctuations on net revenues. Natixis is particularly vulnerable to fluctuations in the exchange rate between the United States dollar and the euro, as a significant portion of its net revenues and operating income is generated in the United States. In the context of its risk management policies, Natixis enters into transactions to hedge exposure to exchange rate risk. However, these transactions may not be

fully effective to offset the effects of unfavorable exchange rates on operating income. In certain situations, such transactions may even amplify these effects.

Any interruption or failure of Natixis' information systems, or those of third parties, may result in lost business and other losses

Like most of its competitors, Natixis relies heavily on its communication and information systems to process a large number of increasingly complex transactions for its business. Any malfunction, interruption or failure of these systems could result in errors or interruptions to customer relationship management, general ledger, deposit, transaction and/or loan processing systems. If, for example, Natixis' information systems failed, even for a short period of time, it would be unable to meet customers' needs in a timely manner and could thus lose transaction opportunities. Likewise, a temporary breakdown of Natixis' information systems, despite back-up systems and contingency plans, could result in considerable information retrieval and verification costs, and even a decline in its proprietary business if, for instance, such a breakdown occurred during the implementation of a hedging transaction. The inability of Natixis' systems to accommodate an increasing volume of transactions could also undermine its business development capacity.

Natixis is also exposed to the risk of an operational failure or interruption by one of the clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. With growing interconnectivity with customers, Natixis may also become increasingly exposed to the risk of operational failure of its customers' information systems. Natixis' communication and information systems, and those of its customers, service providers and counterparties may also be subject to malfunctions or interruptions resulting from cybercrime or cyber terrorism, which have become increasingly sophisticated and prevalent. Natixis cannot guarantee that such malfunctions or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved.

Unforeseen events may cause an interruption of Natixis' operations and cause substantial losses and additional costs

Unforeseen events, such as a severe natural disaster, pandemic, terrorist attack or other state of emergency could lead to an abrupt interruption of Natixis' operations and, to the extent not partially or entirely covered by insurance, can cause substantial losses. Such losses could relate to property, financial assets, trading positions and key employees. Such unforeseen events may, additionally, disrupt Natixis' infrastructure, or that of third parties with which it conducts business, and could also generate additional costs (such as relocation costs of employees affected) and increase Natixis' costs (in particular insurance premiums). Subsequent to such events, Natixis may be unable to insure certain risks, resulting in an increase in Natixis' overall risk.

Natixis may be vulnerable to political, macroeconomic and financial environments or specific circumstances in the countries where it does business

Natixis is subject to country risk, which is the risk that economic, financial, political or social conditions in a foreign country may affect its financial interests. Natixis does business throughout the world, including in developing regions of the world commonly known as emerging markets. In the past, many emerging market countries have experienced severe economic and financial disruptions and instability, including devaluations of their currencies and capital and currency exchange controls, as well as low or negative economic growth. Natixis' businesses and revenues derived from operations and trading outside the European Union and the United States, although limited, are subject to risk of loss from various unfavorable political, economic and legal developments, including currency fluctuations, social instability, changes in governmental policies or policies of central banks, expropriation, nationalization, confiscation of assets and changes in legislation relating to local ownership.

Natixis is subject to significant regulation in France and in several other countries around the world where it operates; regulatory actions and changes in these regulations could adversely affect Natixis' business and results

A variety of supervisory and regulatory regimes apply to Natixis in each of the countries in which it conducts its business. Non-compliance with these regulations could lead to significant intervention by regulatory authorities and fines, public reprimand, reputational damage, enforced suspension of operations or, in extreme cases,

withdrawal of Natixis' authorization to operate. The financial services industry has been under increased scrutiny from a variety of regulatory authorities in recent years, and the penalties and fines sought by regulatory authorities have increased, a trend that may accelerate in the current financial context. Natixis' operations and income may be materially and adversely affected by the policies and actions of various regulatory authorities of France, other European Union countries, the United States, or foreign governments or by international organizations. Such constraints could limit Natixis' ability to develop its businesses or to pursue certain operations. The nature and impact of potential changes in such policies and regulatory actions are unpredictable and are beyond Natixis' control.

Such changes could include, but are not limited to, the following:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policies liable to significantly influence investor decisions, in particular in markets where Natixis operates;
- general changes in regulatory requirements, notably prudential rules relating to the regulatory capital adequacy framework and the recovery and resolution regime;
- changes in rules and procedures relating to internal controls;
- changes in the competitive environment and prices;
- changes in financial reporting rules;
- expropriation, nationalization, price controls, foreign exchange controls, confiscation of assets and changes in legislation relating to foreign ownership rights; and
- any adverse change in the political, military or diplomatic environments creating social instability or an uncertain legal situation capable of affecting the demand for the products and services offered by Natixis.

Tax law and its application in France and in the countries where Natixis operates are likely to have a significant impact on Natixis' results

As a multinational banking group involved in complex and large-scale cross-border transactions, Natixis is subject to tax legislation in a large number of countries throughout the world. Natixis structures its business globally in order to optimize its effective tax rate. Changes to tax regimes or their application by the competent authorities in those countries may have a significant impact on the results of Natixis. Natixis implemented management processes to create value from the synergies and business capabilities of its different entities. Natixis also endeavors to structure the financial products sold to its clients in a tax efficient manner. The structures of Natixis' intra-group transactions and of the financial products sold by Natixis are based on Natixis' own interpretations of applicable tax laws and regulations, generally relying on opinions received from independent tax counsel and, to the extent necessary, on rulings or specific guidance from competent tax authorities. There can be no assurance that the tax authorities will not seek to challenge such interpretations in the future, in which case Natixis could become subject to tax adjustments.

Despite the risk management policies, procedures and methods in place, Natixis may be exposed to unidentified or unanticipated risks, which could give rise material losses

Natixis' risk management policies and procedures may not effectively limit its risk exposure in all types of market environments or against all types of risk, including risks that Natixis fails to identify or anticipate. Furthermore, Natixis' risk management policies and procedures do not guarantee an actual reduction of risk and may also not effectively limit its risk exposure in all market conditions. These policies and procedures may not be effective against certain risks, particularly those that Natixis has not previously identified or anticipated. Some of Natixis' qualitative tools and metrics that are used to manage risk are based on its use of observed historical market behavior. Natixis carries out a mostly statistical analysis to quantify its risk exposure. The tools and metrics used may provide inaccurate conclusions on future risk exposures. These risk exposures could, for example, arise from factors that Natixis has not anticipated or correctly assessed in its statistical models, or because of unexpected and unprecedented market trends. This inaccuracy would limit Natixis' ability to manage its risks. Natixis' losses could

therefore be significantly greater than those anticipated based on historical measures. Moreover, Natixis' quantitative models do not incorporate all risks. Certain risks are subject to a more qualitative analysis, and Natixis' qualitative approach to these risks could prove inadequate, exposing it to material unanticipated losses. In addition, while no material issue has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. See Section 3.2 "Governance and risk management organization" and the related sections of the 2016 Natixis Registration Document and its updates for a more detailed discussion of the policies, procedures and methods that group entities use to identify, monitor and manage its risks.

The hedging strategies implemented by Natixis may not prevent losses

Natixis may incur losses if any of the variety of instruments and strategies that it uses to hedge its exposure to various types of risk in its business prove ineffective. Many of these strategies are based on observation of historical market behavior and historical correlation analysis. For example, if Natixis holds a long position in an asset, it may hedge the risk of that position by taking a short position in an asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, Natixis may only be partially hedged, or its strategies may not be fully effective in mitigating Natixis' risk exposure in all market environments or against all types of risk in the future, or may even cause an increase in risks. Any unexpected market developments may also reduce the effectiveness of Natixis' hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may increase the volatility of Natixis' reported earnings.

Natixis may encounter difficulties in identifying, executing and integrating its policy in relation to acquisitions or joint ventures

Natixis may consider external growth or partnership opportunities from time to time. While Natixis closely reviews the companies that it plans to acquire and the joint ventures it plans to engage in, it is generally not feasible for these reviews to be comprehensive in all respects. As a result, Natixis may have to assume initially unforeseen liabilities. Similarly, the results of the acquired company or joint venture may not live up to expectations, expected synergies may not be realized in whole or in part, or the transaction may give rise to higher-than-expected costs. Natixis may also encounter difficulties in consolidating a new entity. The failure of an announced external growth operation or the failure to consolidate the new entity or joint venture is likely to materially affect Natixis' profitability. This situation could also lead to the departure of key employees. Insofar as Natixis may feel compelled to offer its employees financial incentives in order to retain them, this situation could also result in increased costs and an erosion of profitability. In the case of joint ventures, Natixis is subject to additional risks and uncertainties in that it may be dependent on, and subject to liability, losses or reputational damage relating to, systems, controls and personnel that are not under its control. In addition, conflicts or disagreements between Natixis and its joint venture partners may negatively impact the benefits sought by the joint venture.

Intense competition, both in Natixis' home market of France, its largest market, and internationally, could adversely affect Natixis' net revenues and profitability

Competition is intense in all of Natixis' primary business areas in France and in other areas of the world where it has significant operations. Consolidation, both in the form of mergers and acquisitions and through alliances and cooperation, is increasing competition. Consolidation has created a number of firms that, like Natixis, have the ability to offer a wide range of products and services. Natixis competes with other entities on the basis of a number of factors, including transaction execution, products and services offered, innovation, reputation and price. If Natixis is unable to maintain its competitiveness in France or in its other major markets with attractive and profitable product and service offerings, it may lose market share in important areas of its business or incur losses on some or all of its operations. In addition, downturns in the global economy or in the economies of Natixis' major markets are likely to increase competitive pressure, in particular due to increased price pressure and lower business volumes for Natixis and its competitors. New and more competitive competitors could also enter the market. These new market participants may be subject to separate or more flexible regulation, or other requirements relating to prudential ratios, and may therefore be able to offer more competitive products and services. Technological advances and the growth of e-commerce have made it possible for non-deposit taking institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. These new entrants may

exert downward price pressure on Natixis' products and services and affect Natixis' market share. New technological advances may lead in the future to rapid and unforeseen changes in the markets in which Natixis operates. If Natixis is unable to appropriately adapt its operations or strategy in response to any such developments, its competitive position and results of operations may be affected.

The financial soundness and performance of other financial institutions and market participants could have an adverse impact on Natixis

Natixis' ability to carry out its operations could be affected by the financial soundness of other financial institutions and market participants. Financial institutions are closely interconnected, primarily as a result of their trading, clearing, counterparty and financing operations. The default of a sector participant, or even mere rumors or questions concerning one or more financial institutions or the finance industry more generally, have, in the past, led to a widespread contraction in liquidity in the market and, in the future, could lead to additional losses or defaults. Natixis is exposed to various financial counterparties such as investment service providers, commercial or investment banks, clearing houses and central counter-parties, mutual funds and hedge funds, as well as other institutional clients, with which it conducts transactions in the ordinary course of business, thus exposing Natixis to a risk of insolvency if one of Natixis' counterparties or customers should fail to meet their commitments. This risk would be compounded if the assets held as collateral by Natixis were unable to be sold or if their price was insufficient to cover all of Natixis' exposure relating to loans or derivatives in default.

In addition, fraud or misappropriation committed by financial sector participants may have a highly detrimental impact on financial institutions as a result, in particular, of interconnections between institutions operating in the financial markets.

Natixis' profitability and business outlook could be adversely affected by reputational and legal risk

Natixis' reputation is essential in attracting and retaining its customers. The use of inappropriate means to promote and market its products and services, or the inadequate management of potential conflicts of interest, legal and regulatory requirements, compliance issues, money laundering laws, economic sanctions requirements, information security policies and sales and trading practices may damage Natixis' reputation. Its reputation could also be harmed by any inappropriate employee behavior, fraud or misappropriation of funds or other malfeasance committed by participants in the financial sector to which Natixis is exposed, any decrease, restatement or correction of its financial results, or any legal or regulatory action that has a potentially unfavorable outcome. Any damage caused to Natixis' reputation could be accompanied by a loss of business that would threaten its results and its financial position.

Inadequate management of these issues could also give rise to additional legal risk for Natixis and cause an increase in the number of legal proceedings initiated and the amount of damages claimed against Natixis, or expose Natixis to sanctions from the regulatory authorities (for further details see Section 3.9 ("Compliance and reputational risk, legal risks") of the 2016 Natixis Registration Document, and in particular Section 3.9.2.1 "Legal and arbitration procedures").

An extended market decline may reduce the liquidity in the markets, making it harder to sell assets and possibly giving rise to material losses

In some of Natixis' businesses, protracted market movements, particularly asset price declines, can reduce the level of activity and liquidity in the market concerned. These developments can expose Natixis to significant losses if it is unable to close out deteriorating positions in a timely way. This is particularly true in relation to assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, or offset through a clearing house, such as derivatives traded between banks, are generally valued using models rather than on the basis of market prices. Given the difficulty of monitoring changes in the prices of these assets, Natixis could suffer unanticipated losses.

Changes in accounting principles may have an impact on Natixis' financial statements and capital ratios and result in additional costs

Applicable accounting principles evolve and change over time, and Natixis' financial statements and capital ratios are exposed to the risk of change of such principles. For example, in July 2014, the International Accounting Standards Board published IFRS 9 "Financial Instruments," which is set to replace IAS 39 as from January 1, 2018 after its adoption by the European Union. The standard amends and complements the rules on the classification and measurement of financial instruments. It includes a new impairment model based on expected credit losses ("ECL"), while the current model is based on provisions for incurred losses, and new rules on general hedge accounting. The new approach based on ECL could result in substantial additional impairment charges for Natixis and add volatility to its regulatory capital ratios, and the costs incurred by Natixis relating to the implementation of such norms may have a negative impact on its results of operations.

Risks related to the links with BPCE and the Banque Populaire and Caisse d'Epargne networks

Natixis' principal shareholder has a significant influence on certain corporate actions

Natixis' principal shareholder, BPCE, held 71% of the share capital (and 71.03% of the voting rights) of Natixis as of December 31, 2016. Consequently, BPCE is in a position to exercise significant influence over the appointment of Natixis' corporate officers and executive managers, and over any other corporate decisions requiring shareholder approval. BPCE's interests in relation to these decisions may differ from those of other investors in securities issued by Natixis, including the Notes.

Natixis' risk management policies and procedures are subject to the approval and control of BPCE

As the central body, BPCE is required to ensure that all of Groupe BPCE – including Natixis – complies with regulations in force governing the banking sector in France in areas such as regulatory capital adequacy, risk appetite and risk management requirements. As a result, BPCE has been vested with significant rights of approval over important aspects of Natixis' risk management policies. In particular, BPCE has the power to approve the appointment or removal of Natixis' Chief Risk Officer, as well as influence over certain aspects of risk management such as the approval of credit limits and the classification of loans granted to joint Natixis-Groupe BPCE customers as non-performing loans. For further information about the risk appetite and risk management policies and procedures at Natixis, see Section 2.5 ("Report of the Chairman of the Board of Directors on internal control and risk management procedure") and Section 3.2 ("Governance and risk management organization") of the 2016 Natixis Registration Document. BPCE's interests (on behalf of Groupe BPCE) concerning risk management may differ from those of Natixis.

RISKS RELATING TO THE NOTES

The following does not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. Additional risk factors relating to a particular type or Series of Notes may appear in the applicable Product Supplement and/or Pricing Supplement.

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

The market for debt securities issued by banks, such as the Notes, is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other Western and other industrialized countries. There can be no assurance that events in France, Europe, the United States or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect.

There will be no prior market for the a Series of Notes

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

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

The EU Bank Recovery and Resolution Directive (the "**BRRD**") and the Single Resolution Mechanism, as transposed into French law by a decree-law dated August 20, 2015, provide resolution authorities with the power to "bail-in" any non-excluded liabilities (including senior debt instruments such as the Notes), meaning writing them down or converting them to equity or other instruments, if resolution proceedings are initiated in respect of the issuing institution. In addition, the bail-in power could be applied to a guarantee obligation such as the Guarantee. A resolution proceeding may be initiated in respect of an institution if it or the group to which it belongs is failing or likely to fail, there is no reasonable prospect that another measure would avoid such failure within a reasonable time period, and a resolution measure is required to ensure the continuity of critical functions, to avoid a significant adverse effect on the financial system, to protect public funds by minimizing reliance on extraordinary public financial support, and to protect client funds and assets, in particular those of depositors. The bail-in power may be exercised by a resolution authority in respect of senior obligations such as the Notes or the Guarantee if the write-down or conversion of capital instruments and subordinated debt (which must occur before the bail-in of senior debt) is not sufficient to recapitalize the institution.

The bail-in power could result in the full or partial write down or conversion to equity (or other instruments) of the Notes. In such event, the Guarantee of the 3(a)(2) Notes would cover only the reduced amount of the Notes (if any), and not their original principal amount.

In addition, if the Issuer's financial condition, or that of Groupe BPCE, deteriorates or is perceived to deteriorate, the existence of the bail-in powers could cause the market value of the Notes to decline more rapidly than would be the case in the absence of such powers. Public financial support would not be available except as a last resort, after resolution tools, including the bail-in power, have been fully exhausted.

The terms of the Notes issued by Natixis will include provisions giving effect to the Bail-in Tool. The terms of the Notes issued by the LLC will include provisions that indirectly give effect to the application of the Bail-in Tool to Natixis. See Condition 16 (*Statutory Write-Down or Conversion*) in "*Terms and Conditions of the Notes*."

In addition to the bail-in tool, the BRRD provides the resolution authorities with broader powers to implement other resolution measures, which may include, among other things, the sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments

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

Changes in the method in which LIBOR is determined may adversely affect the value of floating rate notes or linked notes that include a component based on a floating rate

Regulators and law enforcement agencies from a number of governments have been conducting investigations relating to the calculation of LIBOR across a range of maturities and currencies, and certain financial institutions that were member banks surveyed by the British Bankers' Association (the "**BBA**") in setting daily LIBOR have entered into agreements with the U.S. Department of Justice, the U.S. Commodity Futures Trading Commission and/or the U.K. Financial Services Authority in order to resolve the investigations. In addition, in September 2012, the U.K. government published the results of its review of LIBOR, commonly referred to as the "**Wheatley Review**," which made a number of recommendations for changes with respect to LIBOR, including the

introduction of statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the BBA to an independent administrator, changes to the method of compilation of lending rates, new regulatory oversight and enforcement mechanisms for rate−setting and the corroboration of LIBOR, as far as possible, by transactional data. Based on the Wheatley Review, on March 25, 2013, final rules for the regulation and supervision of LIBOR by the U.K. Financial Conduct Authority (the "**FCA**") were published and came into effect on April 2, 2013 (the "**FCA Rules**"). In particular, the FCA Rules include requirements that (1) an independent LIBOR administrator monitor and survey LIBOR submissions to identify breaches of practice standards and/or potentially manipulative behavior, and (2) firms submitting data to LIBOR establish and maintain a clear conflicts of interest policy and appropriate systems and controls. ICE Benchmark Administration Limited has been appointed as the independent LIBOR administrator, effective February 1, 2014.

It is not possible to predict the further effect of the FCA Rules, any changes in the methods pursuant to which LIBOR rates are determined or any other reforms to LIBOR that may be enacted in the U.K., the EU (including the forthcoming Benchmark Regulation, which will apply from January 1, 2018) and elsewhere, each of which may adversely affect the trading market for LIBOR−based securities. In addition, changes announced by any other applicable governance or oversight body in the method pursuant to which LIBOR rates are determined may result in a sudden or prolonged increase or decrease in the reported LIBOR rates. Changes in the methods pursuant to which other benchmark rates are determined and other reforms to such benchmark rates are also being contemplated in the EU and other jurisdictions, and any such changes and reforms could result in a sudden or prolonged increase or decrease in the reported values of such other benchmark rates. If such changes and reforms were to be implemented and to the extent that the value of the floating rate notes is affected by reported LIBOR, the level of interest payments and the value of the floating rate notes may be affected. Further, uncertainty as to the extent and manner in which the Wheatley Review recommendations and other proposed reforms will continue to be adopted and the timing of such changes may adversely affect the current trading market for the floating rate notes and the value of the floating rate notes.

Any early redemption at the option of the relevant Issuer, if provided for in any Product and/or Pricing Supplement(s) for a particular issue of Notes or in the case of certain changes in tax law, could cause the yield anticipated by holders to be considerably less than anticipated

The Product and/or Pricing Supplement(s) for a particular issue of Notes may provide for early redemption at the option of the relevant Issuer. Such right of early redemption is often provided for in bonds or notes in periods of high interest rates. In addition, the relevant Issuer will have the right to redeem all, but not some only, of the Notes if certain changes in tax law occur with respect to the Notes, or, in the case of Notes issued by the LLC, with respect to the Issuer's on-lending to Natixis.

An optional redemption feature may limit the market value of the Notes. During any period when the relevant Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period if there is, or the market believes there is, an increased likelihood of that the Notes becoming eligible for redemption in the near term.

If market interest rates decrease, the risk to holders that the relevant Issuer will exercise its right of redemption increases. The yields received upon early redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the holder. Moreover, part of the capital invested by the holder may be lost, so that the holder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Natixis is required to report information about investors under FATCA and payments in respect of the Notes may be subject to withholding tax under FATCA

The Foreign Account Tax Compliance Act ("FATCA") imposes substantial information reporting obligations regarding the holders of the Notes, as well as a 30% U.S. withholding tax on certain U.S. source payments, including interest (and original issue discount), and will impose a 30% U.S. withholding tax on the gross proceeds from the disposition of property of a type which can produce U.S. source interest paid after December 31,

2018 (“withholdable payments”), if paid to a “foreign financial institution,” unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, qualifies for an exception from the requirements to enter into such an agreement or satisfies the terms of an applicable intergovernmental agreement. In addition, France has entered into an intergovernmental agreement with the United States, which could result in the imposition of additional withholding and reporting requirements under French law.

By purchasing the Notes, holders agree to provide an IRS Form W-9 or the applicable IRS Form W-8, and whatever other information may be necessary for us to comply with these reporting obligations. This information may be reported to revenue authorities, including the IRS. If an amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from interest or other payments on the Notes as a result of an investor’s failure to comply with these rules or to provide a required IRS Form or other information, neither the Issuer nor the Guarantor nor any paying agent nor any other person would be required to pay additional amounts with respect to any Notes as a result of the deduction or withholding of such tax. As a result, if payments in respect of the Notes are subject to FATCA withholding, investors may receive less interest or principal than expected. Holders of Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

Transactions in the Notes could be subject to a future European financial transactions tax

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

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

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

The Council of the European Union on Economic and Financial Affairs indicated on December 6, 2016 that the ten Participating Member States (excluding Estonia) agreed on certain important measures that will form the core engines of the FTT and that work and discussions would continue during the first half of 2017.

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

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

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional domestic or foreign parties are involved in the execution of an order, including

but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

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

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes

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

Notes issued at substantial discount or premium may be subject to higher price fluctuations than non-discounted Notes

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

Changes in exchange rates and exchange controls could result in a substantial loss to investors

An investment in foreign currency Notes, which are Notes denominated in a Specified Currency (as defined in "*Terms and Conditions of the Notes*") 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 Natixis 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 Notes 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 Note denominated in a currency other than U.S. dollars. Depreciation of the Specified Currency of a foreign currency

Note against U.S. dollars could result in a decrease in the effective yield of such foreign currency Note below its coupon rate 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 or interest on a foreign currency Note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, any premium or interest denominated in any such Specified Currency.

The information set forth in this Base Offering Memorandum is directed to prospective purchasers of Notes who are United States residents, except where otherwise expressly noted. The Issuers and the Guarantor 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 or interest on, Notes. Such persons should consult their advisors with regard to these matters. One or more supplements relating to Notes 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 currency.

Judgments in a foreign currency could result in a substantial loss to an investor in the Notes denominated in a currency other than U.S. dollars

The Notes and the Guarantee will be governed by, and construed in accordance with, the laws of the State of New York (except that Condition 2(a) (*Status*) of the Notes (which governs their status) will be governed by, and construed in accordance with, French law in the case of Notes issued by the Bank and the provisions of the Guarantee relating to its status will be governed by, and construed in accordance with, French law). Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. 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.

The Notes and the Guarantee are not registered securities

The Notes and the Guarantee are not registered under the Securities Act or under any state securities laws. The 3(a)(2) Notes are being offered pursuant to the registration exemption contained in Section 3(a)(2) of the Securities Act. The Rule 144A Notes are being offered and sold in the United States only to "qualified institutional buyers", as defined in Rule 144A under the Securities Act, and the Regulation S Notes are being offered and sold outside the United States only to non-U.S. persons in "offshore transactions" as defined in, and in accordance with, Regulation S, as applicable. See "*Notice to U.S. Investors in the Rule 144A Notes and the Regulations S Notes Regarding Certain U.S. Legal Matters*." Neither the SEC nor any state securities commission or regulatory authority has recommended or approved the Notes or the Guarantee, nor has any such commission or regulatory authority reviewed or passed upon the accuracy or adequacy of this Base Offering Memorandum or any applicable supplement.

Neither the Notes nor the Guarantee are insured by the FDIC

Neither the Notes nor the Guarantee are deposit liabilities of the Bank or the Branch, and neither the Notes nor the Guarantee is insured by the United States Federal Deposit Insurance Corporation ("FDIC") or any governmental or deposit insurance agency.

The Issuers are not restricted in their ability to incur additional debt or to dispose of assets by the term and conditions of the Notes

The terms and conditions of the Notes contain a negative pledge that prohibits each Issuer from pledging assets to secure other bonds or similar debt instruments issued by it, unless such Issuer makes a similar pledge to secure the Notes. However, in the case of Notes issued by the LLC, there will be no restriction on the ability of

Natixis to pledge assets. In addition, the Issuers are generally permitted to sell or otherwise dispose of substantially all of their assets to another corporation or other entity under the terms of the Notes. If the Issuers decide to dispose of a large amount of their assets, investors in the Notes will not be entitled to declare an acceleration of the maturity of the Notes merely as a result of such disposal, and those assets will no longer be available to support the Notes.

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

Investments in Linked Notes entail significant risks and may not be appropriate for investors lacking financial expertise

An investment in Linked Notes entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. The Issuers and the Guarantor believe that Linked Notes should only be purchased by investors who are, or who are purchasing under the guidance of, financial institutions or other professional investors that are in a position to understand the special risks that an investment in these instruments involves. These risks include, among other things, the possibility that:

- the risks of investing in a Linked Note encompass both risks relating to the underlying assets and/or indices and risks that are unique to the Note itself;

- the relevant underlying assets or, in the case of Notes linked to one or more indices, indices may be subject to significant changes, because of fluctuations in the value of the underlying assets or, in the case of an index, due to the composition of the index itself. In recent years, currency exchange rates and prices for various underlying assets have been highly volatile. Such volatility may be expected in the future. Fluctuations in rates or prices that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Linked Note;

- the resulting interest rate will be less (or may be more) than that payable on a conventional debt security issued by Natixis through Natixis at the same time;

- the repayment of principal can occur at times other than that expected by the investor, depending on the terms specified in the applicable Product and/or Pricing Supplement(s) (for example, certain Notes may become subject to early redemption upon the occurrence of certain events);

- the holder of a Linked Note could lose all or a substantial portion of the principal of such Note (whether payable at maturity or upon redemption or repayment), and, if the principal is lost, interest may cease to be payable on the Note;

- any Linked Note that is linked to more than one type of underlying asset or to an index with more than one type of underlying asset may carry levels of risk that are greater than Notes that are linked to one type of asset only;

- it may not be possible for investors to hedge their exposure to these various risks relating to Linked Notes; and

- a significant market disruption could mean that the index on which Linked Notes are linked ceases to exist.

The value of Linked Notes on the secondary market is subject to greater levels of risk than is the value of other Notes

The secondary market, if any, for Linked Notes will be affected by a number of factors, in addition to and independent of the creditworthiness of Natixis, including the volatility of the applicable currency, commodity, stock, interest rate or other index, the time remaining to the maturity of such Notes, the amount outstanding of such Notes and market interest rates. The value of the applicable currency, commodity, stock or interest rate index depends on a number of interrelated factors, including economic, financial and political events, over which Natixis has no control. Additionally, if the formula used to determine the amount of principal, premium and/or interest payable with respect to Linked Notes contains a multiplier or leverage factor, the effect of any change in the applicable currency, commodity, stock, interest rate or other index will be increased. The historical experience of the relevant currencies, commodities, stocks or interest rate indices should not be taken as an indication of future performance of such currencies, commodities, stock, interest rate or other indices during the term of any Linked Note. Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Linked Notes.

The credit ratings assigned to Natixis' medium-term program are not a reflection of the specific risks of investing in Linked Notes

The credit ratings assigned to the Notes issued under this medium-term program are a reflection of the credit status of Natixis, and in no way are a reflection of the impact of any of the factors discussed above, or any other factors, on the market value of any Linked Note. Prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in Linked Notes and the suitability of such Notes in light of their particular circumstances.

Various transactions by Natixis could impact the performance of any Linked Notes, which could lead to conflicts of interest between Natixis and holders of its Linked Notes

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

- a formula determined by the Bank or another affiliate of the Bank; or
- prices that are published solely by third parties or entities which are not regulated by the laws of the United States.

Various transactions by Natixis could impact the performance of any Linked Notes, which could lead to conflicts of interest between Natixis and holders of its Linked Notes. Natixis is active in the international securities, currency and commodity markets on a daily basis. It may thus, for its own account or for the account of customers, engage in transactions directly or indirectly involving assets that are underlying assets under Linked Notes and may make decisions regarding these transactions in the same manner as it would if the Linked Notes had not been issued. Natixis and its affiliates may on the issue date of the Linked Notes or at any time thereafter be in possession of information in relation to any underlying assets that may be material to holders of any Linked Notes and that may not be publicly available or known to the holders. There is no obligation on the part of any of the Issuers or the Guarantor to disclose any such business or information to the holders.

The return on Linked Notes may be below the return on similar standard debt securities

Depending on the terms of a Linked Note, as specified in the applicable Product and/or Pricing Supplement(s), holders may not receive any interest payments or receive only very low interest payments on such Note. Similarly, depending on the terms of a Linked Note, holders may receive at maturity a principal payment that is equal to, less than, or only marginally greater than their initial investment in the Notes. As a result, the overall return on such Note may be less than the amount investors would have earned by investing in a standard debt security that bears interest at a prevailing market fixed or floating rate.

Investments in Linked Notes may be adversely affected by the volatility of the underlying assets to which such Notes are linked

Some underlying assets are highly volatile, which means that their value may increase or decrease significantly over a short period of time. It is impossible to predict the future performance of underlying assets based on historical performance. The amount of principal or interest that can be expected to become payable on a Linked Note may vary substantially from time to time. Because the amounts payable with respect to a Linked Note are generally calculated based on the price, value or level of the relevant underlying assets on a specified date or over a limited period of time, volatility in the underlying assets increases the risk that the return on the Linked Notes may be adversely affected by a fluctuation in the level of the relevant underlying assets.

The volatility of underlying assets may be affected by financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of a Linked Note.

Purchasers of Linked Notes will have no rights with respect to any underlying assets to which such Linked Note is linked

Investing in a Linked Note will not make the holder of such Note the holder of any of the underlying assets or any of their components. As a result, holders will not have any voting rights, any right to receive dividends or other distributions or any other rights with respect to any of the underlying assets or any of their components.

USE OF PROCEEDS AND HEDGING

The LLC as Issuer will on-lend the net proceeds from its issue of the Notes to the Bank, except as otherwise set forth in the applicable Pricing and/or Product Supplement. The Bank will use the net proceeds it receives from Notes that it issues or from on-lending by the LLC for general corporate purposes or as otherwise specified in the applicable Product and/or Pricing Supplement(s). The on-lending agreement between the LLC and the Bank contains a clause substantially similar to that set forth in Conditions 16(a) to (h) (*Statutory Write-Down or Conversion*) in "*Terms and Conditions of the Notes*" in order to comply with the requirements of the BRRD. As a result, if the Bank were to become subject to resolution proceedings, the LLC would be deemed to have acknowledged and agreed that its loan to the Bank may be written down or converted to equity or other instruments of the Bank through the application of the Bail-In Power. The Notes issued by the LLC would then be subject to similar write-down or conversion.

The LLC as Issuer may enter into swap agreements or other derivative or similar transactions with Natixis in connection with the issue of the Notes. Natixis may earn income as a result of payments pursuant to the swap agreements or other derivative or similar transactions entered into with the LLC, or related hedge transactions.

In the case of Linked Notes, Natixis expects that, in connection with hedging its and/or the LLC's obligations under such Linked Notes or under swap agreements or other derivative or similar transactions of Natixis and/or the LLC, it will purchase, sell, maintain or continually adjust positions in any underlying assets or underlying index or indices or any individual components included in such index or indices. Natixis may also purchase, sell, maintain or continually adjust positions in options, futures, forwards, swaps or other derivative or similar instruments relating to any underlying assets or underlying index or any individual components included in any underlying index. These hedging transactions may be entered into, adjusted and terminated from time to time. These hedging transactions may involve counterparties that are affiliated with Natixis. Natixis expects that it will increase or decrease any hedging position over time using techniques that help evaluate the size of any hedge based upon a variety of factors affecting the level of any underlying asset or underlying index. These factors may include the history of changes in the level of any underlying asset or underlying index and the time remaining to maturity. These additional hedging activities may occur from time to time before the Notes mature and will depend on market conditions, the level of any underlying asset or underlying index and any individual components included in any underlying index.

If the LLC and/or Natixis has hedge positions in the Underlying Index or any individual components included in any underlying assets or underlying index, or in options, futures, forwards, swaps or other derivative or similar instruments related to any underlying index or any individual components included in any underlying index, the LLC and/or Natixis may liquidate all or a portion of these positions at or about the time of the maturity of the applicable Notes. The aggregate amount and type of such positions are likely to vary over time depending on future market conditions and other factors.

The Issuers cannot guarantee that the LLC and/or Natixis' hedging activities will not affect the prices of such options, futures, forwards, swaps, options on the foregoing, other derivative or similar instruments, the level of any Underlying Asset or Underlying Index or any individual components included in any Underlying Index.

In addition, Natixis or one or more of its affiliates may purchase or otherwise acquire a long or short position in any series of Notes from time to time and may, in its sole discretion, hold or resell such Notes. Natixis or one or more of its affiliates may also take hedging positions in other types of appropriate financial instruments that may become available in the future.

CAPITALIZATION

The table below sets forth the consolidated capitalization of Natixis as of December 31, 2016.

in millions of euros	**December 31, 2016**
Debt securities in issue	48,921
Subordinated debt	4,209
Shareholders' Equity (group share):	
Share capital and reserves	10,895
Consolidated reserves	6,417
Gains or losses recorded directly in equity	1,323
Non-recyclable gains or losses recorded directly in equity	(174)
Net income	1,374
Total shareholders' equity (group share)	**19,836**
Minority interests	1,296
Total capitalization	**74,262**

As of April 20, 2017, Natixis' share capital amounted to €5,019,776,380.80. As of December 31, 2016, Natixis (parent company only) had bonds in issue of €16,087 million and there has been an increase of €1,633 million in bonds in issue measured in accordance with French GAAP (as set forth in Note 14 – Debt Securities of the 2016 audited non-consolidated financial statements of Natixis) as compared with amounts shown in the 2016 Audited Non-Consolidated Financial Statements of Natixis SA as at December 31, 2016.

Except as set forth in this section, there has been no material change in the consolidated capitalization of the Group since December 31, 2016. The share capital has increased from €5,019,319,328.00 as of December 31, 2016 to €5,019,776,380.80 as of April 20, 2017.

BUSINESS OF NATIXIS

The following is a summary of the business of Natixis. For more information, please see Sections 1 and 5 of the 2015 Natixis Registration Document incorporated by reference herein, and any future interim results incorporated by reference as part of an update to the 2015 Natixis Registration Document or as specified in a supplement to this Base Offering Memorandum.

Natixis

Natixis is the international corporate, investment and financial services arm of the Groupe BPCE, a leading French mutual banking group that includes two French retail banking networks (the Banque Populaire and the Caisse d'Epargne networks), and a number of entities that are affiliates of BPCE, including Natixis. Groupe BPCE's structure is described in more detail below.

Natixis has a diversified base of activities, an extensive customer base and a broad international presence. Natixis has three core business lines:

- Corporate & Investment Banking (which includes coverage, global markets, global finance, global transaction banking, investment banking and mergers & acquisitions),
- Investment Solutions & Insurance (which includes asset management, private banking and life & non-life insurance), and
- Specialized Financial Services (which includes factoring, sureties and financial guarantees, leasing, consumer finance, film industry financing, employee savings schemes, payment platform services and securities custody services, distributed mainly through the two retail banking networks of the Groupe BPCE).

Natixis also holds interests in certain non-core businesses referred to as "Financial Investments."

At December 31, 2016, the Natixis group had €527.9 billion of consolidated assets and €19.8 billion of consolidated shareholders' equity, group share. Natixis recorded consolidated net revenues of €8,718 million and net income (group share) of €1,374 million in 2016.

Natixis is listed on Euronext Paris. Its primary shareholder is BPCE, which holds 71.03% of its share capital (excluding treasury shares) as of December 31, 2015. The remainder is held by the public.

Natixis is a *société anonyme à conseil d'administration* (a limited liability company with a board of directors) and a credit institution licensed as a bank in France, with its registered office at 30 avenue Pierre Mendès France, 75013 Paris, France.

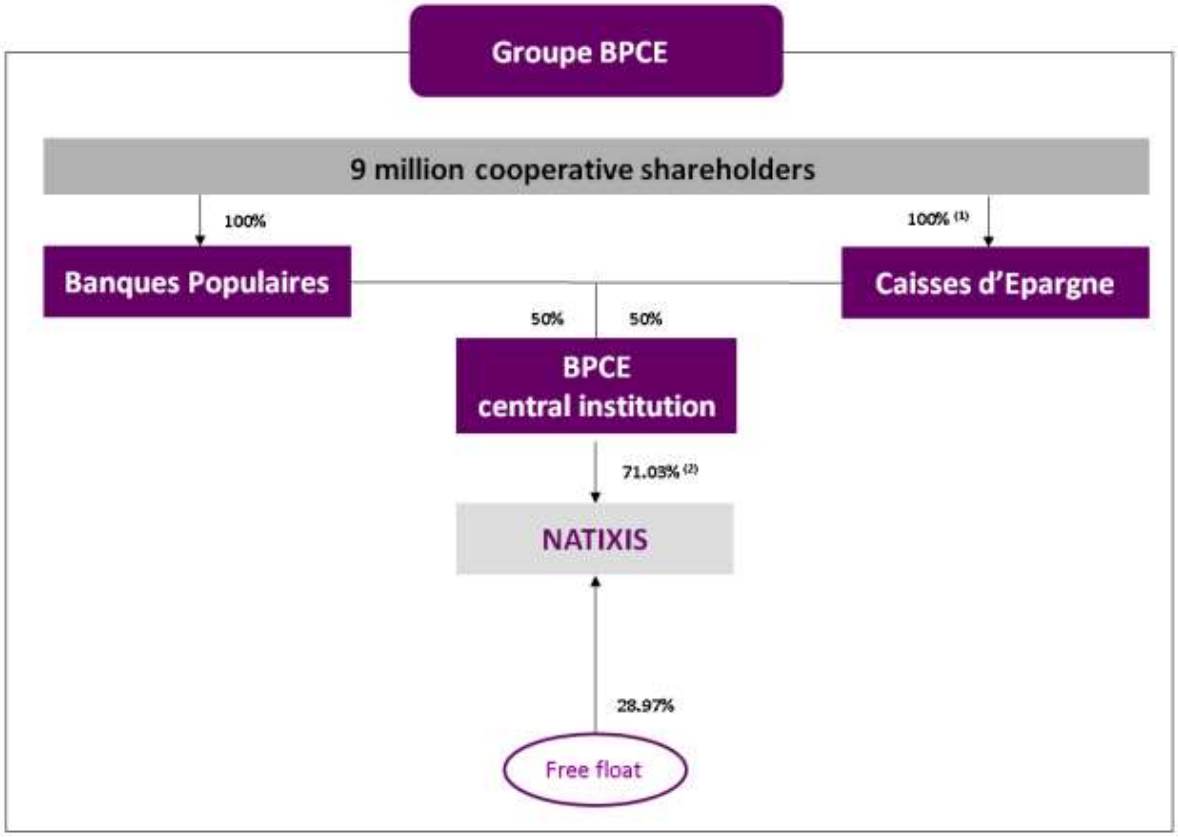
The Groupe BPCE Structure

The Groupe BPCE is a mutual banking group. All of the voting shares of BPCE are owned by the regional Banques Populaires and Caisses d'Epargne banks (50% for each network), which are in turn owned directly or indirectly by approximately 9 million cooperative shareholders, who are primarily customers. BPCE owns interests in subsidiaries and affiliates such as Natixis (71.03% of Natxis' share capital, excluding treasury shares) and Crédit Foncier de France, a major French real estate lender (100%).

As the central institution (*organe central*) of the Groupe BPCE, BPCE's role is to coordinate policies and exercise certain supervisory functions with respect to the regional banks and other affiliated French banking entities (including Natixis), and to ensure the liquidity and solvency of the entire group. In accordance with French law, BPCE has established a financial solidarity mechanism under which each network bank and each affiliated French credit institution in the Groupe BPCE (including Natixis) benefits from an undertaking from all of the network

banks and BPCE to provide financial support as needed (three guarantee funds, managed by BPCE, collectively amounting to €1.286 billion as at December 31, 2016, have been established to support the solidarity mechanism). As a result, the credit of Natixis is effectively supported by the financial strength of the entire Groupe BPCE. The financial solidarity mechanism is described in more detail in Section 1.2.2 of the 2016 Natixis Registration Document.

The following graph illustrates the Groupe BPCE's structure:



(1) Indirectly through Local Savings Companies
(2) Percentage of share capital (excluding treasury shares)

Natixis US Medium-Term Note Program LLC

Natixis US Medium-Term Note Program LLC is a Delaware limited liability company formed on July 27, 2011. The LLC is a wholly-owned subsidiary of the Bank formed for the purpose of issuing the Notes and making the net proceeds of the issue thereof available to the Bank. The LLC's principal office is located at 1251 Avenue of the Americas, New York, NY 10020, United States, and its telephone number is (212) 891-6100. The LLC will not have any material activities other than in connection with the issuance of the Notes and related activities.

The Branch

The Bank operates the Branch pursuant to a license issued by the Superintendent of Financial Services of the State of New York (the "Superintendent") in 1976. The Branch conducts an extensive banking business serving U.S. customers and the Bank's French clients and their U.S. subsidiaries. The Branch's principal office is located at 1251 Avenue of the Americas, New York, NY 10020, United States and its telephone number is (212) 872-5000.

SUPERVISION AND REGULATION OF THE BRANCH AND THE BANK IN THE UNITED STATES

Banking Activities

New York State Law

The Branch is licensed by the Superintendent under the New York Banking Law (the "NYBL") to conduct a commercial banking business. The Branch is supervised, regulated and examined by the New York State Department of Financial Services and the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") and is subject to banking laws and regulations applicable to a foreign bank that operates a New York branch.

Under the NYBL and regulations adopted thereunder, the Branch is required to maintain eligible high-quality assets on deposit with banks in the State of New York which are pledged to the Superintendent of the New York State Department of Financial Services for certain purposes. For foreign banking organizations that have been determined to be "well-rated" by the Superintendent (as the Branch has been), the asset pledged is based on a sliding scale percentage of the branch's third-party liabilities (decreasing in 0.25% increments from 1% for the first $1 billion of such liabilities to 0.25% of such liabilities in excess of $10 billion) with a cap set at $100 million. Should the Branch cease to be "well-rated" by the Superintendent, the Branch may need to maintain substantial additional amounts of eligible high-quality assets with banks in the State of New York. Under the NYBL, the Superintendent is also authorized to establish an asset maintenance requirement for a New York branch of a foreign bank. At present, the Superintendent has set this percentage at 0%, although specific asset maintenance requirements may be imposed upon individual branches on a case-by-case basis. The Superintendent has not prescribed such a requirement for the Branch.

The NYBL authorizes the Superintendent to take possession of the business and property of a foreign bank's New York branch under certain circumstances, including violation of law, conduct of business in an unauthorized or unsafe manner, capital impairment, the suspension of payment of obligations, initiation of liquidation proceedings against the foreign bank, or reason to doubt the foreign bank's ability to pay in full the claims of its creditors. In liquidating or dealing with the branch's business after taking possession of the branch, the Superintendent will accept for payment out of the branch's assets only the claims of creditors unaffiliated with the foreign bank that arose out of transactions with the branch (without prejudice to the rights of such creditors to be satisfied out of other assets of the foreign bank) and only to the extent those claims represent an enforceable legal obligation against such branch if such branch were a separate and independent legal entity. After such claims are paid, together with any interest thereon, and the expenses of the liquidation have been paid in full or properly provided for, the Superintendent will turn over the remaining assets, if any, to other offices of the foreign bank that are being liquidated in the United States, upon the request of the liquidators of those offices to pay the claims accepted by those liquidators and any expenses incurred in liquidating those other offices of the foreign bank. After any such payments are made, any remaining assets will be turned over to the foreign bank or to its duly appointed liquidator or receiver.

The Branch is generally subject under the NYBL to the same single borrower (or issuer) lending and investment limits applicable to a New York state-chartered bank, except that for the Branch such limits, which are expressed as a percentage of capital, are based on the Bank's worldwide capital.

U.S. Federal Law

In addition to being subject to New York laws and regulations, the Branch is also subject to U.S. federal regulation primarily under the International Banking Act of 1978, as amended (the "IBA"), including the amendments to the IBA made pursuant to the Foreign Bank Supervision Enhancement Act of 1991 (the "FBSEA"). Under the IBA, as amended by the FBSEA, all U.S. branches of foreign banks, such as the Branch, are subject to reporting and examination requirements of the Federal Reserve Board similar to those imposed on domestic banks that are owned or controlled by U.S. bank holding companies, and most U.S. branches and agencies of foreign banks, including the Branch, are subject to reserve requirements on deposits, although restrictions on the payment of interest on demand deposits were removed under the Dodd-Frank Act, effective July 2011. In addition, by reason of the conduct of banking activities in the United States (including through the Branch), Natixis is also subject to

reporting to, and supervision and examination by, the Federal Reserve Board in its capacity as Natixis' U.S. "umbrella supervisor."

The Branch's deposits are not, and are not required or permitted to be, insured by the FDIC. In general, the Branch is not permitted to accept or maintain domestic retail deposits or their note equivalent having a balance of less than U.S.$250,000.

Among other things, the IBA provides that a state-licensed branch of a foreign bank (such as the Branch) may not engage in any type of activity that is not permissible for a federally-licensed branch or agency of a foreign bank unless the Federal Reserve Board has determined that such activity is consistent with sound banking practice. A state-licensed branch must also comply with the same single borrower (or issuer) lending and investment limits applicable to national banks. These limits are based on the foreign bank's worldwide capital and, in the case of a foreign bank with multiple U.S. branches or agencies (such as Natixis), the foreign bank must aggregate the business of all of its U.S. branches and agencies in determining compliance with these limits. Under the Dodd-Frank Act, the lending limits applicable to the Branch include credit exposures that arise from derivative transactions, repurchase and reverse repurchase agreements, and securities lending and borrowing transactions.

The Dodd-Frank Act also includes "push-out" provisions that significantly limit or prohibit certain structured finance swaps activities of the U.S. branches of non-U.S. banks. Natixis and other non-U.S. banking organizations had to comply with the "push-out" provisions by July 2015, unless an extension period was granted. The Branch is also subject to certain quantitative limits and qualitative restrictions on the extent to which it may lend to or engage in certain other transactions with affiliates engaged in certain securities, insurance and merchant banking activities in the United States. In general, these transactions must be on terms that would ordinarily be offered to unaffiliated entities, and are subject to volume limits; such transactions which involve extensions of credit or credit exposure must be secured by designated amounts of specified collateral.

The Federal Reserve Board may terminate the activities of a U.S. branch or agency of a foreign bank if it finds that the foreign bank is not subject to comprehensive supervision on a consolidated basis in its home country, or if there is reasonable cause to believe that such foreign bank or an affiliate has violated the law or engaged in an unsafe or unsound banking practice in the United States, and as a result, continued operation of the branch would be inconsistent with the public interest and the purposes of federal banking laws, or for a foreign bank that presents a risk to the stability of the United States financial system, the home country of the foreign bank has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk. If the Federal Reserve Board were to use this authority to close the Branch, creditors of the Branch would have recourse against Natixis' non-U.S. branches, unless the Superintendent or other regulatory authorities were to make alternative arrangements for the payment of the liabilities of the Branch.

Restrictions on U.S. Activities

The Bank Holding Company Act of 1956, as amended (the "BHCA"), imposes significant restrictions on Natixis' U.S. non-banking operations and on its worldwide holdings of equity in companies which, directly or indirectly operate in the United States. Under amendments to the BHCA effected by the Gramm-Leach-Bliley Act (the "GLBA"), qualifying bank holding companies and foreign banks that become "financial holding companies" are permitted to engage through non-bank subsidiaries in a broad range of non-banking activities in the United States, including insurance, securities, merchant banking and other financial activities. The GLBA does not authorize banks or their affiliates to engage in commercial activities that are not financial in nature, and in general does not affect or expand the permitted activities of a U.S. branch of a foreign bank (such as the Branch).

Under the BHCA, Natixis is required to obtain the prior approval of the Federal Reserve Board before acquiring, directly or indirectly, the ownership or control of more than 5% of any class of voting securities of any U.S. bank, bank holding company or certain other types of U.S. depository institution or depository institution holding company. Under federal banking law and regulations issued by the Federal Reserve Board, the Branch is also restricted from engaging in certain "tying" arrangements involving products and services.

Under the GLBA and related Federal Reserve Board regulations, Natixis elected to become a financial holding company effective October 2, 2002. To qualify as a financial holding company, Natixis was required to

certify and demonstrate that Natixis was "well capitalized" and "well managed" (in each case, as defined by Federal Reserve Board regulation). These standards, as applied to Natixis, are comparable to the standards U.S. domestic banking organizations must satisfy to qualify as financial holding companies. If, at any time, Natixis were no longer to be well capitalized or well managed, or were otherwise to fail to meet any of the requirements for maintaining its financial holding company status, Natixis may be required to discontinue certain activities or terminate its U.S. banking operations. Natixis' ability to expand activities or undertake acquisitions permitted to financial holding companies could also be adversely affected.

The GLBA and the regulations issued thereunder contain a number of other provisions that affect Natixis' U.S. banking operations, including provisions that relate to the financial privacy of consumers and limit the securities brokerage and dealing activities of banks (including U.S. branches of foreign banks, such as the Branch) under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Recent Financial Regulatory Reform

In response to the financial crisis, in 2010 the United States enacted the Dodd-Frank Act, which provides a broad framework for significant regulatory changes that extends to almost every area of U.S. financial regulation. The Dodd-Frank Act contains a wide range of provisions that affect financial institutions operating in the United States, including foreign banks such as Natixis. However, for any restrictions that the Federal Reserve Board may issue for foreign banks, the Federal Reserve Board is directed to take into account the principle of national treatment and equality of competitive opportunity, and the extent to which the foreign bank is subject to comparable home country standards.

The Dodd-Frank Act provides regulators with tools to impose heightened capital, leverage and liquidity requirements and other prudential standards, particularly for financial institutions that pose significant systemic risk. In February 2014, the Federal Reserve Board adopted new regulations that impose enhanced prudential standards on the U.S. operations of certain large foreign banking organizations, such as Natixis ("FBO Rules"). In particular, the FBO Rules subject the combined U.S. operations of Natixis to capital and liquidity reporting, risk management, and home-country stress testing requirements. The Branch operations of Natixis are subject to certain liquidity requirements and other specific enhanced prudential standards, such as asset maintenance requirements under certain circumstances. In addition, if the total U.S. non-Branch assets of Natixis (and BPCE) equal or exceed $50 billion, Natixis would be required to create a separately capitalized top-tier U.S. intermediate holding company that would hold all of its U.S. non-Branch subsidiaries. Under the FBO Rules, the intermediate holding company would be subject to risk-based and leverage capital requirements, liquidity requirements, risk management requirements, internal TLAC and long-term debt requirements, supervisory stress testing and capital planning requirements as well as other prudential requirements on a consolidated basis. BPCE does not control U.S. subsidiaries other than through Natixis. Based on the current amount of Natixis' total U.S. non-Branch assets, Natixis is not currently required to form an intermediate holding company. The Federal Reserve Board has proposed but has not yet finalized "early remediation" requirements for certain foreign banking organizations and their intermediate holding companies. On March 4, 2016, the Federal Reserve Board re-proposed single counterparty credit limits that would apply to the intermediate holding companies and the combined U.S. operations (including the Branch) of systemically important foreign banking organizations (such as Groupe BPCE).

In addition to the increased capital, liquidity, and other enhanced prudential requirements described above, large international banks such as Groupe BPCE (generally with respect to its U.S. operations) are required to file an annual resolution plan identifying material entities and core business lines and describing what strategy would be followed to resolve the institution in an orderly manner in the event of significant financial distress. The failure to cure deficiencies in a resolution plan would enable the Federal Reserve Board and the FDIC, acting jointly, to impose more stringent capital, leverage or liquidity requirements, or restrictions on growth, activities or operations and, if such failure persists, require the divestiture of assets or operations. Groupe BPCE filed its latest resolution plan on December 31, 2015 and was not required to file a resolution plan in 2016.

The Dodd-Frank Act also establishes a comprehensive U.S. regulatory regime for over-the-counter ("OTC") derivatives. Among other things, the Dodd-Frank Act provides the Commodity Futures Trading Commission ("CFTC") and the SEC with jurisdiction and regulatory authority over certain OTC derivatives and rules regarding the

registration of, and capital, margin and business conduct standards for, swap dealers (such as Natixis) and major swap participants, and mandatory clearing, exchange trading and transaction reporting of certain OTC derivatives.

The Dodd-Frank Act also contains a limitation on a banking entity's ability to engage in certain types of proprietary trading and sponsorship of or investment in hedge funds or private equity funds, subject to certain exemptions (the so-called "Volcker Rule"). For non-U.S. banking entities, such as Groupe BPCE, these exemptions include certain activity conducted outside the U.S. and meeting specific criteria. Final regulations implementing the Volcker Rule were released in December 2013. The final regulations extended the conformance period for the Volcker Rule until July 2015 (with up to two one-year extensions under certain circumstances), by which time financial institutions subject to the rule, such as Groupe BPCE, were required to bring their activities and investments into compliance and implement a specific compliance program. The Federal Reserve Board has extended the Volcker Rule's general conformance period for investments in and relationships with covered funds and certain foreign funds that were in place on or prior to December 31, 2013 until July 21, 2017. This extension of the conformance period does not apply to the Volcker Rule's prohibitions on proprietary trading or to any investments in and relationships with covered funds made or entered into after December 31, 2013. Groupe BPCE continues its efforts to bring its activities and investments into compliance with the Volcker Rule by the July 2017 deadline.

Also included in the Dodd-Frank Act are provisions designed to promote enhanced supervision of financial markets, protect consumers and investors from financial abuse, and provide the government with the tools needed to manage a financial crisis.

While many of the rulemakings required by the Dodd-Frank Act have been completed, the full implementation of the Dodd-Frank Act involves ongoing rulemakings and additional regulatory initiatives by different U.S. federal regulators, including the Department of the Treasury, the Federal Reserve Board, the FDIC, the Office of the Comptroller of the Currency, the SEC, the CFTC, the Financial Stability Oversight Council, and the Consumer Financial Protection Bureau. In addition, the uncertainty surrounding the U.S. regulatory agenda of the new U.S. Presidential Administration, which includes proposals to repeal or significantly reduce a number of elements of the Dodd-Frank Act, may result in significant changes in the regulation and guidance applicable to the Bank. Until there is greater clarity on the details, timing and potential impact of these regulatory initiatives, it is not possible to assess fully the impact (including additional compliance costs) of the Dodd-Frank Act and the regulations thereunder on Natixis' operations.

Anti-Money Laundering and Economic Sanctions

In recent years, a major focus of U.S. policy, legislation and regulation relating to financial institutions has been to combat money laundering and terrorist financing and to assure compliance with U.S. country, territory, and individual economic sanctions. U.S. regulations applicable to Natixis (including the Branch) and its subsidiaries, such as the USA PATRIOT Act, impose obligations to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing, to verify the identity of their customers, report suspicious transactions, implement due diligence procedures for certain correspondent and private banking accounts, and otherwise to comply with U.S. country, territory, and individual economic sanctions. U.S. economic sanctions are administered by the U.S. Office of Foreign Assets Control ("OFAC"). Failure of Natixis (including the Branch) to maintain and implement adequate programs to combat money laundering and terrorist financing, and to comply with U.S. economic sanctions, could have serious legal and reputational consequences.

BPCE provides financial services throughout the world, which may from time to time include countries in which U.S. banks are prohibited from conducting business due to restrictions imposed by OFAC. BPCE does not believe its business activities with counterparties in, or directly relating to, such countries are material to its business, and such activities represented a very small part of BPCE's total assets and total revenues as of, and for, the year ended December 31, 2016.

GOVERNMENT SUPERVISION AND REGULATION OF CREDIT INSTITUTIONS IN FRANCE

French Banking Regulatory and Supervisory Bodies

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

The French Supervisory Banking Authorities

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

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

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

- The ACPR may apply requirements for capital buffers to be held by credit institutions at the relevant level, in addition to own funds requirements (including countercyclical buffer rates). If deemed necessary, the ECB may, instead of the ACPR but by cooperating closely with it, apply such higher requirements.

Supervisory framework

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

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

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

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

The Resolution Authority

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

Since January 1, 2016, a single resolution board (the "**Single Resolution Board**") established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 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 (the "**Single Resolution Mechanism Regulation**"), together with national authorities, are in charge of resolution planning and preparation of resolution decisions for cross-border credit institutions and banking groups as well as credit institutions and banking groups directly

supervised by the ECB, such as Groupe BPCE. The ACPR remains responsible for implementing the resolution plan according to the Single Resolution Board's instructions.

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

Other French Banking Regulatory and Supervisory Bodies

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

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

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

Banking Regulations

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

Credit institutions such as Natixis must comply with minimum capital ratio requirements. In addition to these requirements, the principal regulations applicable to credit institutions such as Natixis concern risk diversification and liquidity, monetary policy, restrictions on equity investments and reporting requirements. As of the date hereof, in the various countries in which Natixis or its subsidiaries operate, they comply with the specific regulatory ratio requirements in accordance with procedures established by the relevant supervisory authorities.

French credit institutions are required to maintain minimum capital to cover their credit, market, counterparty and operational risks. Since January 1, 2014, pursuant to the CRD IV Regulation, credit institutions, such as Natixis, are required to maintain a minimum total capital ratio of 8%, a minimum Tier 1 capital ratio of 6% and a minimum common equity Tier 1 ratio of 4.5%, each to be obtained by dividing the institution's relevant

eligible regulatory capital by its risk-weighted assets. The Supervisory Banking Authority may also require French credit institutions to maintain capital in excess of the requirements described above. In addition, they will have to comply with certain common equity Tier 1 buffer requirements, including a capital conservation buffer of 2.5% that will be applicable to all institutions as well as other common equity Tier 1 buffers to cover countercyclical and systemic risks. These buffer requirements will be implemented progressively until 2019.

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

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

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

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

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

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

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

Examination

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

Deposit Guarantees

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

Additional Funding

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

Internal Control Procedures

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

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

Compensation Policy

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

Money Laundering

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

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

Resolution Measures

On May 15, 2014, the European Parliament and the Council of the European Union adopted Directive 2014/59/EU of the European Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**"). The stated aim of the BRRD is to provide relevant resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. The BRRD was implemented in France through a decree law (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) dated August 20, 2015.

Resolution

Under the decree-law, the Relevant Resolution Authority (see "—The Resolution Authority" above) may commence resolution proceedings in respect of an institution when the Relevant Resolution Authority determines that:

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

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

After resolution proceedings are commenced, the Relevant Resolution Authority may use one or more of several resolution tools with a view to recapitalizing or restoring the viability of the institution, as described below. Resolution tools are to be implemented so that shareholders bear losses first, then holders of capital instruments qualifying as additional Tier 1 and Tier 2 instruments, and thereafter creditors bear losses in accordance with the order of their claims in normal insolvency proceedings, subject to certain exceptions. French law also provides for certain safeguards when certain resolution tools and measures are implemented including the "no creditor worse off

than under normal insolvency proceedings" principle, whereby creditors of the institution under resolution should not incur greater losses than they would have incurred had the institution been wound up under a liquidation proceeding.

Limitation on Enforcement

Article 68 of BRRD, as transposed in France, provides that certain crisis prevention measures and crisis management measures, including the opening of a resolution proceeding in respect of the Issuer, may not by themselves give rise to a contractual enforcement right against the Issuer or the right to modify the Issuer's obligations, so long as the Issuer continues to meet its payment obligations. Accordingly, if a resolution proceeding is opened in respect of the Issuer, holders of the Notes will not have the right to declare an Event of Default, to accelerate the maturity of the Notes, to exercise other enforcement rights in respect of the Notes or to modify the terms of the Notes, so long as the Issuer continues to meet its payment obligations. Similarly, holders of Notes will not have the right to take enforcement actions so long as the Issuer continues to meet its payment obligations.

The Bail-In Tool

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

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

The Guarantor's obligations under the Guarantee are expressed to be limited to those owed by the Issuer to the Holders. As a consequence, the application of the Bail-In Tool to the Notes would effectively limit the Guarantor's obligation under the Guarantee. In addition, the Bail-In Tool might also apply to a guarantee obligation such as the Guarantee. While holders of the Notes, as beneficiaries of the Guarantee, are creditors of the New York branch of the Guarantor, and therefore benefit from the NYBL's statutory preference regime with respect to assets of the New York branch, if the Issuer's obligations under the Notes or the Guarantor's obligation under the Guarantee were subject to an exercise of the Bail-In Tool, there would be no remaining claim (or a reduced remaining claim) that would benefit from this preference regime. As a result, the Bail-In Tool, if applied to the Notes or to liabilities of the Guarantor, could effectively limit the extent of a recovery under the Guarantee.

The Bail-In Tool could apply to obligations of Natixis (such as the Notes and the obligations of Natixis under the on-loan from the LLC) in connection with a resolution procedure instituted in respect of Natixis, or as part of a group resolution instituted in respect of Groupe BPCE. In the latter case, it is possible that liabilities of Natixis might be written down or converted to equity even if the financial difficulty leading to the resolution procedure arises in another entity in Groupe BPCE.

The terms of the Notes issued by Natixis will include provisions giving effect to the Bail-In Tool. The terms of the Notes issued by the LLC will include provisions that indirectly give effect to the application of the Bail-In Tool to the obligations of Natixis under the on-loan from the LLC.

Other resolution measures

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

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

Recovery and resolution plans

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

a) Recovery plans must set out measures contemplated in case of a significant deterioration of an institution's financial situation. Such plans must be updated on a yearly basis (or immediately following a significant change in an institution's organization or business). The Supervisory Banking Authority must assess the recovery plan to determine whether the implementation of the arrangements proposed is reasonably likely to maintain or restore the viability and financial position of the institution or of the group, also review whether the plan could impede the resolution powers if a resolution is commenced, and, as necessary, can require modifications or request changes in an institution's organization.

b) Resolution plans prepared by the Relevant Resolution Authority must set out, in advance of any failure, how the various resolution powers set out above are to be implemented for each institution, given its specific circumstances. Such plans must also be updated on a yearly basis (or immediately following a significant change in an institution's organization or business).

The Single Resolution Fund

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

MREL and TLAC

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

On November 9, 2015, the Financial Stability Board proposed in a document entitled "Principles of Loss–absorbing and Recapitalisation Capacity of GSIBs in Resolution" (the "**FSB TLAC Term Sheet**") that "Global Systemically Important Banks" (including Groupe BPCE) maintain significant amounts of liabilities that are subordinated (by law, contract or structurally) to certain excluded liabilities, such as guaranteed or insured deposits and derivatives. These so-called "**TLAC**" (or "total loss-absorbing capacity") requirements are intended to ensure that losses are absorbed by shareholders and creditors, other than creditors in respect of excluded liabilities, rather than being borne by government support systems. The TLAC requirement will impose a level of "Minimum TLAC" that will be determined individually for each Global Systemically Important Bank, and that will be at least equal to (i) 16% of risk-weighted assets beginning January 1, 2019, and 18% of risk-weighted assets beginning January 1, 2022, and (ii) 6% of the Basel III leverage ratio denominator beginning January 1, 2019, and 6.75% beginning January 1, 2022 (each of which could be extended by additional firm-specific requirements or buffer requirements). It will also require that the proceeds of such liabilities be "pre-positioned" in material subsidiaries or sub-groups (such as Natixis) within banking groups to facilitate effective resolution strategies. The TLAC requirements will, if adopted and implemented in France, apply in addition to capital requirements applicable to Groupe BPCE. The TLAC requirements may be adopted as part of the MREL requirements described above, or they may apply in addition to the MREL requirements.

On November 23, 2016, the European Commission proposed amendments to the CRD IV Regulation and the BRRD that, among other things, would give effect to the FSB TLAC Term Sheet, as amended from time to time, and modify the requirements applicable to MREL. These proposals have not yet been interpreted and, when finally adopted, the final regulations giving effect to the principles set forth in the FSB TLAC Term Sheet or any successor principles may be different from those set forth in these proposals.

DESCRIPTION OF THE NOTES

The following provides a brief description of the types of Notes that may be offered. Investors should read the particular terms of the Notes, which are described in more detail in "*Terms and Conditions of the Notes*" and in the applicable Product and/or Pricing Supplement(s).

The applicable Product and/or Pricing Supplement(s) will specify whether the Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Linked Notes (Equity-Linked Notes, Index-Linked Notes, Commodity-Linked Notes or any other type of Linked Note specified in a Product and/or Pricing Supplement), Notes subject to Redemption by Physical Delivery, Partly Paid Notes or Dual Currency Notes or any other type of Note. Below is a brief summary of the types of Notes that may be issued. Notes may be more than one type of Note, for example a Note may be both a Linked Note and a Note subject to Redemption by Physical Delivery. Other types of Notes may also be specified and the Terms and Conditions thereof defined in a Product and/or Pricing Supplement.

Fixed Rate Notes

Fixed Rate Notes will bear interest at the rate set forth in the applicable Product and/or Pricing Supplement. Interest on Fixed Rate Notes will be payable on the dates specified in the applicable Product and/or Pricing Supplement and on redemption.

Interest will be calculated on the basis of the Day Count Fraction (as defined in the Terms and Conditions) agreed to between the relevant Issuer and the Relevant Dealers (as defined in "*Terms and Conditions of the Notes*") and specified in the applicable Product and/or Pricing Supplement(s).

Floating Rate Notes

Floating Rate Notes will bear interest at a rate calculated:

- on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency (as defined in the Terms and Conditions) governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or
- by reference to the benchmark specified in the relevant Product and/or Pricing Supplement(s) (LIBOR, LIBID, LIMEAN, EURIBOR or another benchmark) as adjusted for any applicable margin; or
- as otherwise specified in the relevant Product and/or Pricing Supplement(s).

Interest periods will be specified in the relevant Product and/or Pricing Supplement(s).

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

The margin, if any, in respect of the floating interest rate will be agreed to between the relevant Issuer and the Relevant Dealers.

Interest on Floating Rate Notes will be payable and will be calculated as specified, prior to issue, in the applicable Product and/or Pricing Supplement(s). Interest will be calculated on the basis of the Day Count Fraction agreed to between the relevant Issuer and the Relevant Dealers and set forth in the applicable Product and/or Pricing Supplement(s).

Dual Currency Notes

Dual Currency Notes are Notes on which the relevant Issuer has the option of making all payments of principal, any premium and interest on such notes, the payments on which would otherwise be made in the Specified

Currency of those Notes, in the Optional Payment Currency specified in the applicable Product and/or Pricing Supplement(s). This option will be exercisable in whole but not in part on an Option Election Date, which will be any of the dates specified in the applicable Product and/or Pricing Supplement(s). Information as to the relative value of the Specified Currency compared to the Optional Payment Currency (as defined in the Terms and Conditions) will be set forth in the applicable Product and/or Pricing Supplement(s).

The Product and/or Pricing Supplement(s) for each issuance of Dual Currency Notes will specify, among other things:

- the Specified Currency;
- the Optional Payment Currency;
- the Option Election Dates; and
- the Designated Exchange Rate.

Linked Notes

Linked Notes are Notes for which some or all interest payments and/or the principal amount payable at stated maturity or otherwise is determined based on a formula, that may be based on prices, changes in prices, or differences between prices, of one or more securities, indexes (such as the S&P 500), currencies, intangibles, goods, articles or commodities or such other objective price, economic or other measure described in the applicable Product and/or Pricing Supplement(s).

A description of the formula used in any determination of an interest or principal payment, and the method or formula by which interest or principal payments will be determined based on such index, will be set forth in the applicable Product and/or Pricing Supplement(s). Such Product and/or Pricing Supplement(s) will set forth any particular Terms and Conditions applicable to the particular type or Series of Notes.

If a Fixed Rate Note or Floating Rate Note is also a Linked Note, the amount of any interest payment will be determined based on the amount specified in the applicable Product and/or Pricing Supplement(s).

The principal types of Linked Notes that the Issuers expect to issue are the following:

- Equity-Linked Notes, which are Notes for which the payment of interest and/or principal is linked to the performance of either a single equity security or a basket of equity securities; the underlying equity security or securities may be a share, unit of an Exchange Traded Fund, a depositary receipt or other equity security.
- Fund Linked Notes, which are Notes for which the payment of interest and/or principal is linked to the performance of a fund.
- Index-Linked Notes, which are Notes for which the payment of interest and/or principal is linked to the performance of a single index; the underlying index may be composed of securities that are either listed on a single stock exchange specified in the applicable Product and/or Pricing Supplement(s) or that are listed on multiple stock exchanges specified in the applicable Product and/or Pricing Supplement(s) or a basket of indices specified in the applicable Product and/or Pricing Supplement(s) in the relative proportions specified in the applicable Product and/or Pricing Supplement(s).
- Credit-Linked Notes, which are Notes for which the payment of interest and/or principal is linked to the performance of one or more debt obligations of private or sovereign entities.

- Commodity-Linked Notes, which are Notes for which the payment of interest and/or principal is linked to the performance of a single commodity or to a basket of commodities, as specified and in the proportions specified in the applicable Product and/or Pricing Supplement(s).

Linked Notes may be subject to redemption by delivery of underlying assets as specified in the applicable Product and/or Pricing Supplement(s). With respect to such Notes, at maturity or early redemption, cash or underlying assets will be delivered, depending on the terms specified in the applicable Product and/or Pricing Supplement(s). Such terms may provide for delivery of underlying assets upon the occurrence of certain events, either mandatorily or at the option of the Issuer or the Noteholder. The applicable Product or Pricing Supplement will describe the specific events that may result in or give Noteholders the option of receiving physical delivery of underlying assets.

Additional information about certain types of Linked Notes, particularly with respect to U.S. federal tax matters, may be included in the applicable Product Supplement.

Zero Coupon Notes

Zero Coupon Notes are Notes that do not bear interest other than in relation to interest due after the maturity date.

Ranking

The Terms and Conditions of the Notes do not limit the amount of liabilities ranking *pari passu* with the obligations under the Notes that may be incurred or assumed by the Bank.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes that will be attached to or incorporated by reference into each Global Note and that will be endorsed upon each certificated Note. The Global Notes may take the form of one or more master notes representing one or more Series of Notes. The applicable Product and/or Pricing Supplement(s) prepared by, or on behalf of, the relevant Issuer in relation to any Notes may specify other Terms and Conditions that shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace the following Terms and Conditions for the purposes of a specific issue of Notes. The applicable Product and/or Pricing Supplement(s) will be incorporated into, or attached to, each Global Note and endorsed upon each certificated Note. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Fiscal and Paying Agency Agreement (as defined below) or in the applicable Product and/or Pricing Supplement(s) unless the context otherwise requires or unless otherwise stated.

This Note is one of a Series of the Notes ("**Notes**," which expression shall mean (i) in relation to any Notes represented by a Global Note (defined below), units of the lowest specified denomination ("**Specified Denomination**") in the Specified Currency (defined below) of the relevant Notes, (ii) certificated Notes issued in exchange (or part exchange) for a Global Note and (iii) any Global Note issued subject to, and with the benefit of, an amended and restated Fiscal and Paying Agency Agreement (as it may be updated or supplemented from time to time, the "**Fiscal and Paying Agency Agreement**") dated March 6, 2015, and made among the Issuers and The Bank of New York Mellon, as fiscal and paying agent (the "**Fiscal and Paying Agent**")). The Fiscal and Paying Agent, any additional paying agent (each a "Paying Agent" and, together with the Fiscal and Paying Agent, the "**Paying Agents**") and the Calculation Agent are referred to together as the "**Agents**."

As used herein, "**Tranche**" means Notes that are identical in all respects, including as to listing (if any), and "**Series**" means each original issue of Notes together with any further issues expressed to form a single series with the original issue that are denominated in the same currency and that have the same maturity date or redemption date, as the case may be, interest basis and interest payment dates, if any, and the terms of which, save for the issue date or interest commencement date, the issue price and, if applicable, the first payment of interest, are otherwise identical, including whether the Notes are listed and whether such Notes have original issue discount for U.S. federal income tax purposes, and the expressions "Notes of the relevant Series" and "holders of Notes of the relevant Series" and related expressions shall be construed accordingly. If Notes of a further issue have the same CUSIP, ISIN or other identifying number as that of an original issue, the Notes of the further issue must be fungible with the Notes of the original issue for U.S. federal income tax purposes.

To the extent the Product and/or Pricing Supplement(s) for a particular Series of Notes specifies other Terms and Conditions that are in addition to, or inconsistent with, these Terms and Conditions, such new Terms and Conditions shall apply to such Series of Notes.

The obligations of the Issuer under the 3(a)(2) Notes will be guaranteed by the Guarantor pursuant to a Guarantee Agreement granted by the Guarantor, a copy of which will be available at the principal office of the Fiscal and Paying Agent. See "*Guarantee of the 3(a)(2) Notes*". The Rule 144A Notes and the Regulation S Notes will not benefit from the Guarantee. The Product and/or Pricing Supplement(s) for a particular Series of Notes will specify whether a given Series of Notes consists of 3(a)(2) Notes, or 144A Notes and Regulation S Notes.

Each series of 3(a)(2) Notes will be represented by one or more global certificates in fully registered form (together the "**3(a)(2) Global Notes**"). Each series of Notes sold in reliance on Rule 144A will be represented by one or more permanent global certificates in fully registered form (together the "**Rule 144A Global Notes**"). Each series of Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be represented by one or more permanent global certificates in fully registered form (together the "**Regulation S Global Notes**" and together with the 3(a)(2) Global Notes and the Rule 144A Global Notes, the "**Global Notes**"). The Global Notes will be registered in the name of a nominee of, and deposited with a custodian for, The Depository Trust Company ("**DTC**"). The Global Notes may take the form of obligations under one or more master notes representing one or more series of Notes (including 3(a)(2) Global Notes, Rule 144A Global Notes and Regulation S Global Notes).

Terms and Conditions

1. **Form, Denomination, Title and Transfer**

(a) Form, Denomination and Title

(i) The Notes are in the form of Global Notes, without coupons, in the Specified Currency and Specified Denominations. Beneficial interests in the Global Notes will trade only in book-entry form, and Global Notes will be issued in physical (paper) form (or in the form of one or more master notes), registered in the name of DTC and deposited with a custodian for DTC, as described in the Fiscal and Paying Agency Agreement. The Notes are, to the extent specified in the applicable Product and/or Pricing Supplement(s), Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Linked Notes (Equity-Linked Notes, Index-Linked Notes, Credit-Linked Notes, Fund-Linked Notes, Commodity-Linked Notes or any other type of Linked Notes specified in the applicable Product and/or Pricing Supplement(s)), Notes subject to Redemption by Physical Delivery, Partly Paid Notes or Dual Currency Notes, or any appropriate combination thereof or, subject to all applicable laws and regulations, any other type of Notes specified in the applicable Product and/or Pricing Supplement(s).

(ii) The Issuer shall procure that there shall at all times be a Fiscal and Paying Agent and one or more Paying Agents, which can be the Fiscal and Paying Agent, for so long as any Note is outstanding (as defined in the Fiscal and Paying Agency Agreement). The Issuers have appointed the Registrar at its office specified below to act as registrar of the Notes. The Issuers shall cause to be kept at the specified office of the Registrar for the time being at 101 Barclay Street, New York, New York 10286, United States a Register with respect to each Issuer on which shall be entered, among other things, the name and address of the holders of such Issuer's Notes and particulars of all transfers of title to such Issuer's Notes.

(iii) References to "**Noteholders**" and "**Holders**" mean the person or entity in whose name Notes are registered in the Register maintained for this purpose pursuant to the Fiscal and Paying Agency Agreement. For so long as DTC or its nominee is the registered owner or holder of a Global Note of a Series, DTC or such nominee, as the case may be, will be considered the sole Holder of the Notes represented by such Global Note for all purposes under the Fiscal and Paying Agency Agreement and the Notes, except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

(iv) Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC and, as participants in DTC, Euroclear and/or Clearstream, Luxembourg.

(v) The Notes will not be issued in certificated form, and beneficial interests in the Global Notes may not be exchanged for definitive certificated Notes, except as set forth under Condition 1(b) (*Transfers and Exchanges of Notes*).

(b) Transfers and Exchanges of Notes

(i) Transfers of interests in Global Notes

Transfers of beneficial interests in Global Notes will be effected by DTC, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial

transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in certificated form only in the applicable Specified Denomination and only in accordance with the terms and conditions specified in the Fiscal and Paying Agency Agreement.

(ii) Transfers of Notes in certificated form

Subject to the provisions of paragraph (v) below and to compliance with all applicable legal and regulatory restrictions, upon the terms and subject to the conditions set forth in the Fiscal and Paying Agency Agreement, including the transfer restrictions contained therein, a Note in certificated form may be transferred in whole or in part (in the applicable Specified Denomination). In order to effect any such transfer (A) the holder or holders must (1) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of a Registrar, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (2) complete and deposit such other certifications specified in the Fiscal and Paying Agency Agreement and as may be required by such Registrar and (B) such Registrar must, after due and careful inquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the relevant Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 6 to the Fiscal and Paying Agency Agreement). Subject to the provisions above, the Registrar will, within three (3) business days (being for this purpose a day on which banks are open for business in the city where the specified office of such Registrar is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Note in certificated form of a like aggregate nominal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of only part of a Note in certificated form, a new Note in certificated form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(iii) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 4 (*Redemption and Purchase*), the Issuers shall not be required to register the transfer of any Note, or part of a Note, called for partial redemption.

(iv) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular, uninsured mail and except that the relevant Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(v) Exchanges and transfers of Notes generally

(1) Beneficial interests in Global Notes will not be exchangeable for certificated Notes and will not otherwise be issuable as certificated Notes, subject to the following exceptions, whereby physical certificates will be issued to beneficial owners of a Global Note if:

(A) an Event of Default under the Notes of that Series has occurred and is continuing;

(B) DTC notifies the relevant Issuer that it is unwilling or unable to continue as depositary and the relevant Issuer does not appoint a successor within ninety (90) days;

(C) DTC ceases to be a clearing agency registered under the Exchange Act and the relevant Issuer does not appoint a successor within ninety (90) days; or

(D) the relevant Issuer decides in its sole discretion (subject to the procedures of the depositary) that it does not want to have the Notes of that Series represented by global certificates.

If any of the events described in the preceding paragraph occurs, the relevant Issuer will issue definitive Notes in certificated form in an amount equal to a holder's beneficial interest in the Notes. Certificated Notes will be issued in the applicable Specified Denomination, and will be registered in the name of the person DTC specifies in a written instruction to the registrar of the Notes.

(2) Holders of Notes in certificated form may exchange such Notes for interests in a Global Note (if any) of the same Series at any time, subject to compliance with all applicable legal and regulatory restrictions and upon the terms and subject to the conditions set forth in the Fiscal and Paying Agency Agreement.

2. Status of the Notes and Negative Pledge

(a) Status

Unless otherwise specified in the Product and/or Pricing Supplement(s), the Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will at all times rank *pari passu* without any preference among themselves. The payment obligations of the relevant Issuer under the Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of such Issuer.

(b) Negative Pledge

The relevant Issuer undertakes that, so long as any of its respective Notes shall remain outstanding, it will not create or permit to subsist any mortgage, pledge, lien or other form of encumbrance or security interest upon the whole or any part of the undertaking, assets or revenues of such Issuer, present or future, to secure any Relevant Debt (as defined below) or any guarantee of or indemnity by such Issuer in respect of any Relevant Debt, unless at the same time or prior thereto such Issuer's obligations under the Notes (A) are secured equally and rateably therewith, or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the holders of more than 50% in aggregate principal amount of the then outstanding Notes of the relevant Series in accordance with Condition 13 (*Meetings of Noteholders, Modification and Waiver*).

For the purposes of this Condition 2, "**Relevant Debt**" means present or future indebtedness in the form of, or represented by, bonds, notes, debentures, or other securities which are for the time being, or are capable of being, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

3. Interest and Other Calculations

(a) Rate of Interest and Accrual

Each Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Specified Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(h) (*Calculations*).

(b) Business Day Convention

If any date referred to in these Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) the Floating Rate Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

(ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Business Day;

(iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(c) Rate of Interest on Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Product and/or Pricing Supplement(s) and, except as otherwise specified in the relevant Product and/or Pricing Supplement(s), the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Product and/or Pricing Supplement(s).

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Product and/or Pricing Supplement(s) as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

(1) the Floating Rate Option is as specified in the relevant Product and/or Pricing Supplement(s);

(2) the Designated Maturity is a period specified in the relevant Product and/or Pricing Supplement(s); and

(3) the relevant Reset Date is the first day of that Interest Accrual Period, unless otherwise specified in the relevant Product and/or Pricing Supplement(s).

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

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Product and/or Pricing Supplement(s) as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following provisions (unless otherwise specified in the applicable Product and/or Pricing Supplement(s)):

(1) if the Primary Source for the Floating Rate is a Page, subject to the provisions below, the Rate of Interest shall be:

(x) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(y) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(2) if the Page specified in the relevant Product and/or Pricing Supplement(s) as a Primary Source permanently ceases to quote the Relevant Rate(s) but such quotation(s) is/are available from another page, section or other part of such information service selected by the Calculation Agent (the "**Replacement Page**"), the Replacement Page shall be substituted as the Primary Source for Rate of Interest quotations and if no Replacement Page exists but such quotation(s) is/are available from a page, section or other part of a different information service selected by the Calculation Agent and approved by the Issuer and the Relevant Dealer (the "**Secondary Replacement Page**"), the Secondary Replacement Page shall be substituted as the Primary Source for Rate of Interest quotations;

(3) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph 3(c)(ii)(1)(x) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph 3(c)(ii)(1)(y) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject to the provisions below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to leading banks in the Business Center at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

(4) if paragraph 3(c)(ii)(3) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates then, subject to the provisions below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial center of the country of the Specified Currency or, if the relevant currency is euro, the euro zone (the "**Principal Financial Center**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in New York City, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks New York City) (y) to leading banks carrying on business in the Principal Financial Center; except that, if fewer than two of such banks are so quoting to leading banks in the Principal

Financial Center, the Rate of Interest shall (unless otherwise specified) be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) Rate of Interest on Zero Coupon Notes and Index-Linked Notes and other variable-linked coupon amount Notes (including Equity-Linked Notes, Dual Currency Notes and Partly Paid Notes)

(i) Where a Note, the Rate of Interest of which is specified to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the due date for redemption of such a Note, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortization Yield (as described in Condition 4(e)(ii)).

(ii) Payments of interest in respect of Index-Linked Notes and other variable-linked coupon amount Notes (including Equity-Linked Notes) will be calculated by reference to such index and/or formula and/or another variable as may be specified in the relevant Product and/or Pricing Supplement(s).

(e) Dual Currency Notes

In the case of Dual Currency Notes, if the rate or amount of interest fails to be determined by reference to a Rate of Exchange or a method of calculating the Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Product and/or Pricing Supplement(s).

(f) Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the proportion of the nominal amount, which is paid-up in respect of such Notes and otherwise as specified in the relevant Product and/or Pricing Supplement(s).

(g) Margin, Maximum/Minimum Rates of Interest, Installment Amounts and Redemption Amounts, and Rounding

(i) If any Margin is specified in the relevant Product and/or Pricing Supplement(s) (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (iii) below by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Installment Amount or Redemption Amount is specified in the relevant Product and/or Pricing Supplement(s), then any Rate of Interest, Installment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Terms and Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes

"unit" means, with respect to any currency, the lowest amount of such currency which is available as legal tender in the country or countries of such currency and with respect to the U.S. dollar, means $0.01.

(h) Calculations

Subject to Condition 3(d) (*Rate of Interest on Zero Coupon Notes and Index-Linked Notes and other variable-linked coupon amount Notes (including Equity-Linked Notes, Dual Currency Notes and Partly Paid Notes*) and Condition 4(e) (*Early Redemption Amounts*) in relation to Zero Coupon Notes, the amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the relevant Product and/or Pricing Supplement(s), and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the Interest Amounts payable in respect of such Interest Period shall be the sum of the amounts of interest payable per Calculation Amount in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) Determination and Notification of Rates of Interest, Interest Amounts, Redemption Amounts and Installment Amounts

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Installment Amount, obtain any quote or make any determination or calculation, determine the Rate of Interest and calculate the relevant Interest Amount for the relevant Interest Accrual Period, calculate the Redemption Amount or Installment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Installment Amount to be notified to the Fiscal and Paying Agent, the Issuer, each of the Paying Agents, the Noteholders (in accordance with Condition 12 (*Notices*)), any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such stock exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Specified Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 3(b) (*Business Day Convention*), the Interest Amounts and the Specified Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period or the Interest Period. If the Notes become due and payable under Condition 8 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 3 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of each Rate of Interest, Interest Amount, Redemption Amount and Installment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(j) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Product and/or Pricing Supplement and for so long as any Note is outstanding (as defined in the Fiscal and Paying Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Terms and Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Installment Amount or the Redemption Amount or to comply with any

other requirement, the relevant Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal New York office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. The Calculation Agent shall act as an independent expert in the performance of its duties as described above.

(k) Interest Payments

Interest will be paid subject to and in accordance with the provisions of Condition 5 (*Payments*). Interest will cease to accrue on each Note, or, in the case of the redemption only of part of a Note, that part only of such Note, on the due date for redemption thereof unless, upon due presentation thereof, payment of principal or the payment and/or delivery of the Physical Delivery Amount, if applicable, is improperly withheld or refused, in which event interest will continue to accrue, as well after as before any judgment, until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note and (ii) the day on which the Fiscal and Paying Agent has notified the holder thereof, either in accordance with Condition 12 (*Notices*) or individually, of receipt of all sums due in respect thereof up to that date.

(l) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3 by the Calculation Agent shall (in the absence of willful default, bad faith or manifest error) be binding on the relevant Issuer, the Calculation Agent, the Paying Agents and all Noteholders and (in the absence as aforesaid) no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

None of the Issuers or the Paying Agents shall have any responsibility to any person for any errors or omissions in (i) the calculation by the Calculation Agent of any amount due in respect of the Notes or (ii) any determination made by the Calculation Agent in relation to the Notes and, in each case, the Calculation Agent shall not be so responsible in the absence of its bad faith or willful default.

4. Redemption and Purchase

(a) Redemption by Installments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided below or the relevant Installment Date (being one of the dates so specified in the relevant Product and/or Pricing Supplement) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 4(f) (*Redemption at the Option of the Issuer ("Issuer Call")*) or Condition 4(g) (*Redemption at the Option of the Noteholders ("Noteholder Put")*), each Note that provides for Installment Dates and Installment Amounts shall be partially redeemed on each Installment Date at the related Installment Amount specified in the relevant Product and/or Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Installment Amount (or, if such Installment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Installment Date, unless payment of the Installment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Installment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 4(f) (*Redemption at the Option of the Issuer ("Issuer Call")*) or Condition 4(g) (*Redemption at the Option of the Noteholders ("Noteholder Put")*), each Note shall be finally redeemed on the Maturity Date specified in the relevant Product and/or Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its

nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Installment Amount.

(b) Redemption for Taxation Reasons

(i) If as a result of any change in, or in the official interpretation or administration of, any laws or regulations of a Tax Jurisdiction (as defined in Condition 6, (*Taxation*)) or, in the case of 3(a)(2) Notes, the United States or, in each case any other authority thereof or therein becoming effective on or after the Issue Date (or the Issue Date of any Notes with which the relevant Notes form a single Series, if applicable) (A) Natixis, as Issuer, or the Guarantor would be required to pay additional amounts in respect of Notes issued by Natixis or (where applicable) in respect of the Guarantee, as provided in Condition 6 (*Taxation*) or the Guarantee, respectively, or (B) Natixis would, in respect of payments to the LLC pursuant to any loan or advance of proceeds to Natixis from the issuance of the Notes by the LLC, be required to pay additional amounts to the LLC in order to ensure that the LLC, after deduction of any French withholding taxes or duties, will receive the full amount then due and payable under such loan or advance, then Natixis, as Issuer or (where applicable) as Guarantor, as the case may be, in the case of (A) and the LLC, in the case of (B) may at its option on any Interest Payment Date, or if so specified in the relevant Product and/or Pricing Supplement, at any time, subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 12 (*Notices*), redeem all, but not some only, of the Notes as to which the conditions set forth in clauses (A) or (B) apply at their Early Redemption Amount (together with any interest accrued to the date set for redemption), provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which Natixis (as Issuer, Guarantor or counterparty to such loan or advance), as the case may be, could make payment without withholding for such taxes, and provided further that the obligation to pay such additional amounts could not have been avoided by reasonable measures available to Natixis, as Issuer, or the Guarantor.

(ii) If Natixis, as Issuer, or the Guarantor (where applicable) would, on the next due date for payment of any amount in respect of Notes, be prevented by the law of a Tax Jurisdiction from making payment under the Notes, with respect to Natixis, as Issuer, or under the Guarantee (where applicable), with respect to the Guarantor, notwithstanding the undertaking to pay additional amounts as provided in Condition 6 (*Taxation*) or the Guarantee (where applicable), respectively, then the relevant Issuer shall forthwith give notice of such fact to the Fiscal and Paying Agent and shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 12 (*Notices*) redeem all, but not some only, of the Notes then outstanding as to which the conditions set forth in clauses (A) or (B) apply at their Early Redemption Amount (together with (unless specified otherwise in the relevant Product and/or Pricing Supplement) any interest accrued to the date set for redemption) on (A) the latest practicable Interest Payment Date on which Natixis, as Issuer, could make payment of the full amount then due and payable in respect of the Notes or the Guarantor (where applicable) could make payment in full of the amount due and payable in respect of the Guarantee if any amounts were due and payable in respect of the Guarantee, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of (i) the latest practicable date on which Natixis, as Issuer, could make payment of the full amount then due and payable in respect of the Notes or the Guarantor (where applicable) could make payment in full of amount due and payable in respect of the Guarantee (where applicable) if any amounts were due and payable in respect of the Guarantee, and (ii) fourteen (14) days after giving notice to the Fiscal and Paying Agent as aforesaid or (B) if so specified in the relevant Product and/or Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which Natixis, as Issuer,

could make payment of the full amount then due and payable in respect of the Notes or the Guarantor could make payment in full of the amount due and payable in respect of the Guarantee (where applicable) if any amounts were due and payable in respect of the Guarantee, or, if that date is passed, as soon as practicable thereafter.

(c) [Reserved]

(d) Purchases

The Issuers and any of their affiliates may at any time purchase Notes in the open market or otherwise at any price. Such Notes may be held, reissued or, at the option of the Issuer, surrendered to the Registrar for cancellation (subject to any requirements of French law, in the case of Notes issued by Natixis).

(e) Early Redemption Amounts

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 4(b) (*Redemption for Taxation Reasons*) or, if applicable, Condition 4(f) (*Redemption at the Option of the Issuer ("Issuer Call")*) or 4(g) (*Redemption at the Option of the Noteholders ("Noteholder Put")*), or upon it becoming due and payable as provided in Condition 8 (*Events of Default*) shall be the Amortized Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the "**Amortized Face Amount**" of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortization Yield (which, if none is shown in the relevant Product and/or Pricing Supplement, shall be such rate as would produce an Amortized Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Product and/or Pricing Supplement unless otherwise specified in the relevant Product and/or Pricing Supplement.

(iii) If the Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 4(b) (Redemption for Taxation Reasons) or, if applicable, Condition 4(f) (Redemption at the Option of the Issuer ("Issuer Call")) or 4(g) (Redemption at the Option of the Noteholders ("Noteholder Put")), or upon it becoming due and payable as provided in Condition 8 (Events of Default) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortized Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortized Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment), until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the nominal amount of such Note together with any interest which may accrue in accordance with Condition 3(d).

(iv) The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 4(j) (Redemption for Illegality) or upon it becoming due and payable as provided in Condition 8 (Events of Default) shall be the Final Redemption Amount unless otherwise specified in the relevant Product and/or Pricing Supplement.

(f) Redemption at the Option of the Issuer ("**Issuer Call**")

If "Issuer Call" is specified in the applicable Product and/or Pricing Supplement(s), the relevant Issuer may, on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Product and/or Pricing Supplement) falling within the Issuer's Option Period redeem all, or, if so provided, some of the Notes in the nominal amount or integral multiples thereof and on the Optional Redemption Date(s) provided in the relevant Product and/or Pricing Supplement. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the relevant Product and/or Pricing Supplement and no greater than the Maximum Redemption Amount to be specified in the relevant Product and/or Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed, on the date specified in such notice in accordance with this Condition 4 (*Redemption and Purchase*).

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by certificated Notes, and in accordance with the rules of DTC, in the case of Redeemed Notes represented by a Global Note, not more than thirty (30) days prior to the date fixed for redemption (such date of selection the **"Selection Date**"). In the case of Redeemed Notes represented by certificated Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 12 (*Notices*) below, not less than five (5) days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by certificated Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of certificated Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from, and including, the Selection Date to, and including, the Optional Redemption Date pursuant to this Condition 4(f), and notice to that effect shall be given by such Issuer to the Noteholders in accordance with Condition 12 (*Notices*), at least five (5) days prior to the Selection Date.

(g) Redemption at the Option of the Noteholders ("**Noteholder Put**")

If a Noteholder Put is specified in the applicable Product and/or Pricing Supplement(s), upon the holder of any Note giving to the relevant Issuer not less than fifteen (15) nor more than thirty (30) days' notice in accordance with Condition 12 (*Notices*), such Issuer will, upon the expiration of such notice, redeem, subject to and in accordance with the terms specified in the applicable Product and/or Pricing Supplement(s), in whole, but not in part, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, *with interest accrued to, but excluding, the Optional Redemption Date.*

If a Note is in certificated form and held outside DTC, to exercise the right to require redemption of such Note the holder of such Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account, or, if payment is required to be made by check, an address, to which payment is to be made under this Condition 4(g), accompanied by the Note or evidence satisfactory to the Paying Agent concerned that the Note will, following delivery of the Put Notice, be held to its order or under its control. If the Note is represented by a Global Note or is in certificated form and held through DTC, to exercise the right to require redemption of such Note the holder of the Note must, within the notice period, give notice to the Paying Agent of such exercise in accordance with the standard procedures of DTC, which may include notice being given on his instruction by DTC to the Paying Agent by electronic means, in a form acceptable to DTC from time to time and, if a Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Paying Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except if prior to the due date of redemption an Event of Default shall have occurred and be continuing, in which event such holder, at his option, may elect by notice to the relevant Issuer to withdraw the notice given pursuant to this

Condition 4(g) and instead to declare such Note forthwith due and payable pursuant to Condition 8 (*Events of Default*).

(h) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 4 as amended or varied by the information specified in the applicable Product and/or Pricing Supplement(s).

(i) Cancellation

All Notes surrendered for payment, redemption, registration of transfer or exchange or replacement shall be forthwith cancelled and accordingly may not be re-issued or resold. In addition, any Notes purchased on behalf of an Issuer or any of its subsidiaries may be surrendered to the Registrar for cancellation and, if so cancelled, may not be re-issued or resold.

(j) Redemption for Illegality

The relevant Issuer shall have the right to redeem all, but not some only, of the Notes, if, in the opinion of such Issuer, it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under such Notes (an "**Illegality Event**"). Upon the occurrence of an Illegality Event, the relevant Issuer may, at its option at any time, subject to having given not more than forty-five (45) nor less than thirty (30) Business Days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 12 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount (together with any interest accrued to the date set for redemption) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which such Issuer could lawfully make payment of principal and interest irrespective of the Illegality Event.

(k) Installments

Each Note in certificated form that is redeemable in installments will be redeemed in the Installment Amounts and on the Installment Dates specified in the applicable Product and/or Pricing Supplement(s). All installments, other than the final Installment Amount, will be paid by surrender of the relevant Note and issue of a new Note in the nominal amount remaining outstanding.

5. Payments

(a) Payments of principal in respect of the Notes (which for the purpose of this Condition 5(a) shall include final Installment Amounts but not other Installment Amounts) shall, subject as mentioned below, be made against presentation and surrender of the Note at the specified office of any Paying Agent and in the manner provided in paragraph (b) below.

(b) Interest (which for the purpose of this Condition 5(b) shall include all Installment Amounts other than final Installment Amounts) on the Notes shall be paid to the person shown on the Register at the close of business on the fifteenth (15th) day before the due date for payment thereof or in case of Notes to be cleared through DTC, on the fifteenth (15th) DTC business day before the due date for payment thereof (the "**Record Date**"). For the purpose of this Condition 5(b), "**DTC business day**" means any day on which DTC is open for business. Payments of interest on each Note shall be made in the currency in which such payments are due by check drawn on a bank in the principal financial center of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of any Paying Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial center of the country of that currency.

(c) Payments in respect of the Notes will be subject in all cases to any fiscal or other laws, regulations and directives in any jurisdiction and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or directives, but without prejudice to Condition 6 (*Taxation*).

(d) Payments through DTC: Notes, if specified in the relevant Product and/or Pricing Supplement, will be issued in the form of one or more Global Notes and may be registered in the name of, or in the name of a nominee for, DTC. Payments of principal and interest in respect of such Notes denominated in US dollars will be made in accordance with Conditions 5(a) and (b). Payments of principal and interest in respect of Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than US dollars will be made or procured to be made by the Fiscal and Paying Agent in the Specified Currency in accordance with the following provisions. The amounts in such Specified Currency payable by the Fiscal and Paying Agent or its agent to DTC with respect to Notes held by DTC or its nominee will be received from the Issuer by the Fiscal and Paying Agent who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third (3rd) DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least twelve (12) DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal and Paying Agent, after the Exchange Agent has converted amounts in such Specified Currency into US dollars, will cause the Exchange Agent to deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Fiscal and Paying Agency Agreement sets out the manner in which such conversions are to be made.

(e) In the case of Notes subject to Redemption by Physical Delivery that are settled by way of delivery, on the due date for redemption, the Issuers shall deliver, or procure the delivery of, the documents evidencing the number of and/or constituting the Underlying Assets plus or minus any amount due to or from the Noteholder deliverable in respect of each Note (the "**Physical Delivery Amount**") to, or to the order of, the Noteholder in accordance with the instructions of the Noteholder contained in the Transfer Notice (as defined below). The Physical Delivery Amount shall be evidenced in the manner described in the applicable Product and/or Pricing Supplement(s). The applicable Product and/or Pricing Supplement may also contain provisions for variation of settlement pursuant to an option to such effect or where the Issuers or the holder of a Physical Delivery Note, as the case may be, is not able to deliver or take delivery of as the case may be, the Underlying Assets, or where a Settlement Disruption Event, as described in the applicable Product and/or Pricing Supplement(s) has occurred, all as provided in the applicable Product and/or Pricing Supplement(s).

The applicable Product and/or Pricing Supplement(s) will contain provisions relating to the procedure for the delivery of any Physical Delivery Amount in respect of Notes subject to Redemption by Physical Delivery, including, without limitation, liability for the costs of transfer of Underlying Assets.

The Underlying Assets will be delivered at the risk of the relevant Noteholder in such manner as may be specified in the transfer notice pursuant to which such Underlying Assets are delivered (the "**Transfer Notice**," the form of which is annexed to the Fiscal and Paying Agency Agreement) and, notwithstanding the provisions of Condition 3(j) (*Calculation Agent*) above, no additional payment or delivery will be due to a Noteholder where any Underlying Assets are delivered after their due date in circumstances beyond the control of either the relevant Issuer or the Fiscal and Paying Agent or the Physical Delivery Agent (as defined in the Fiscal and Paying Agency Agreement).

6. Taxation

All payments of principal and interest by Natixis, as Issuer, hereunder shall be made free and clear of and without withholding or deduction for any and all present or future taxes, levies, imposts or charges (all such taxes, levies, imposts and charges being hereinafter referred to as "**Taxes**"), except as required by law. If Natixis, as Issuer, shall be required by the laws of a Tax Jurisdiction to deduct any Taxes from or in respect of any sum payable hereunder, Natixis, as Issuer, shall pay such additional amounts as may be necessary in order that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; provided, however, that the Issuer shall not be liable to pay any such additional amounts with respect to any Note:

(i) to or on behalf of a holder or beneficial owner who is subject to such Taxes in respect of such Note by reason of the holder or beneficial owner being connected with the Tax Jurisdiction otherwise than by reason only of the holding of such Note or receipt of payments thereon;

(ii) presented for payment (where presentation is required) more than thirty (30) days after the Relevant Date, except to the extent that the holder would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of thirty (30) days;

(iii) where such withholding or deduction is imposed pursuant to Section 1471 through 1474 of the U.S. Internal Revenue Code (including any agreement entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code), U.S. Treasury regulations thereunder, or any intergovernmental agreement entered into in connection with the implementation of such Sections (or any law implementing such intergovernmental agreement);

(iv) for any tax that is imposed under section 871(m) of the U.S. Internal Revenue Code, or any regulations or other guidance promulgated thereunder;

(v) where such withholding or deduction would not have been so imposed but for the failure to comply, following a timely request by the Issuer, with any applicable certification, identification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with a Tax Jurisdiction of the holder or beneficial owner if, without regard to any tax treaty, such compliance is required under the tax laws or regulations of a Tax Jurisdiction or any political subdivision or taxing authority thereof or therein to establish an entitlement to an exemption from such withholding or deduction; or;

(vi) presented for payment (where presentation is required) by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent.

As used herein, "Tax Jurisdiction" means the Republic of France or any other jurisdiction in which the Issuer or any of its successors, following a merger or similar event, is or becomes organized or resident for tax purposes, or any political subdivision or taxing authority in or of any of the foregoing.

As used herein the "**Relevant Date**" in relation to any Note means whichever is the later of:

(1) the date on which the payment in respect of such Note first became due and payable; or

(2) if the full amount of the moneys payable on such a date in respect of such Note has not been received by the Paying Agent on or prior to the due date, the date

on which notice is duly given to the Noteholders that such moneys have been so received.

References herein to principal and/or interest shall be deemed also to refer to any additional amounts which may be payable under this Condition 6.

7. Redenomination

(a) Where redenomination is specified in the applicable Product and/or Pricing Supplement(s) as being applicable, the relevant Issuer may, without the consent of the Noteholders, on giving prior notice to the Fiscal and Paying Agent and DTC, by giving at least twenty (20) days' notice to the Noteholders in accordance with Condition 12 (*Notices*), on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the third stage of the European Economic and Monetary Union ("**EMU**"), as provided in the Treaty establishing the European Community (the "**EC**"), as amended from time to time (the "**Treaty**") redenominate all, but not some only, of the Notes of the Series into euro and adjust the aggregate nominal amount and the denomination set out in the relevant Product and/or Pricing Supplement accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Terms and Conditions as the "**Redenomination Date**".

(b) The redenomination pursuant to Condition 7(a) shall be made:

(i) in accordance with regulations and other acts of the European Union and of the relevant national laws and regulations applicable to the redenomination into euro of debt obligations issued in the international capital markets, denominated in the relevant national currency which are held in clearing systems of international standing ("**euromarket debt obligations**"); or

(ii) if no such laws or regulations are applicable, in such manner as the Issuer may determine in its reasonable discretion and by taking into account the interests of the Noteholders, which is consistent with existing or anticipated market practice for the redenomination into euro of euromarket debt obligations; or

(iii) if no such determination is made, by:

(A) converting the nominal amount of each Note into euro by using the fixed relevant national currency euro conversion rate established by the Council of the European Union pursuant to Article 1091(4) of the Treaty and rounding the resultant figure to the nearest cent (with 0.005 euro being rounded upwards); and

(B) causing Notes denominated in euro to be substituted for Notes denominated in the relevant national currency; the Notes denominated in euro will be in the denomination of one euro or, as the case may be (after taking into account the interests of Noteholders) a multiple of one euro. Any balance remaining from a redenomination shall be paid by way of cash adjustment rounded to the nearest cent (with 0.005 euro being rounded upwards). Such cash adjustment will be payable in euros on the Redenomination Date.

Upon redenomination of the Notes, any reference in the Notes to the relevant national currency shall be construed as a reference to euro.

8. Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Note may give written notice to the Fiscal and Paying Agent at its specified office effective upon receipt thereof by the Fiscal and Paying Agent that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable unless prior to the time when the Fiscal and Paying Agent receives such notice all Events of Default in respect of the Notes shall have been cured:

(a) default in any payment of principal of, or interest on, any Note including the payment of any additional amounts pursuant to Condition 6 (*Taxation*) above, when and as the same shall become due and payable, if such default shall not have been cured within fifteen (15) days thereafter;

(b) default by the Issuer in the due performance of any of its other obligations under the Notes, if such default shall not have been cured within sixty (60) days after receipt by the Fiscal and Paying Agent of written notice of default given by the holder of such Note;

(c) if any other indebtedness of the Bank for borrowed money becomes due and repayable prematurely by means of an event of default in relation thereto or the Issuer fails to make any payment in respect thereof on the due date for such payments, as extended by any applicable grace period or the security for any such other payment becomes enforceable, provided that the provisions of this paragraph (c) shall not apply (i) where the aggregate amount which is payable or repayable as aforesaid is equal to or less than €50,000,000 (or its equivalent in other currencies) or (ii) where such default is due to a technical or settlement failure beyond the control of the Issuer, provided that such default is remedied in seven (7) days, or (iii) the Issuer has disputed in good faith that such indebtedness is due and payable or that such security is enforceable and such dispute has been submitted to a competent court, in which case default in payment or security becoming enforceable shall not constitute an event of default hereunder so long as the dispute shall not have been finally adjudicated;

(d) the Bank applies for or is subject to the appointment of a *mandataire ad hoc* under French bankruptcy law or enters into an amicable procedure (*procédure de conciliation*) with its creditors or a judgment is rendered for its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of the business (*cession totale de l'entreprise*) or makes any conveyance for the benefit of, or enters into any agreement with, its creditors or it is subject to any insolvency or bankruptcy proceedings;

(e) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Branch in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Branch or of any substantial part of the property of the Branch, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of sixty (60) consecutive days; or the commencement by the Branch of a voluntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated bankrupt or insolvent, or the consent by the Branch to the entry of a decree or order for relief in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding, or the filing by the Branch of a petition or answer or consent seeking reorganization or relief under any applicable U.S. federal or state law, or the consent by the Branch to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Branch or of any substantial part of the property of the Branch, or the making by the Branch of an assignment for the benefit of creditors, or the taking of corporate action by the Branch in

furtherance of any such action, and such action or proceeding shall be continuing if not rescinded, suspended or stayed for a period of sixty (60) consecutive days; or

(f) with respect to Notes issued by the LLC only, the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the LLC in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law, or (B) a decree or order appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the LLC or of any substantial part of the property of the LLC, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of sixty (60) consecutive days; or the commencement by the LLC of a voluntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated bankrupt or insolvent, or the consent by the LLC to the entry of a decree or order for relief in an involuntary case or proceeding under any applicable U.S. federal or state bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding, or the filing by the LLC of a petition or answer or consent seeking reorganization or relief under any applicable U.S. federal or state law, or the consent by the LLC to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the LLC or of any substantial part of the property of the LLC, or the making by the LLC of an assignment for the benefit of creditors, or the taking of corporate action by the LLC in furtherance of any such action, and such action or proceeding shall be continuing if not rescinded, suspended or stayed for a period of thirty (30) consecutive days; or

(g) the Bank sells, transfers, lends or otherwise disposes of, directly or indirectly, the whole or a substantial part of its undertaking or assets, or the Bank enters into, or commences any proceedings in furtherance of, forced or voluntary liquidation or dissolution, or the Bank merges or consolidates with any other entity, except in the case of a disposal of all or substantially all of the Bank's assets in favor of, or merger or consolidation with, a legal entity organized in the European Union, which simultaneously assumes (by operation of law or by express agreement) all of or substantially all of the Bank's liabilities including the Notes.

9. Prescription

Claims for payment of principal in respect of the Notes shall be prescribed upon the expiration of ten (10) years from the due date thereof, and claims for payment of interest, if any, in respect of the Notes shall be prescribed upon the expiration of five (5) years from the due date thereof.

10. Replacement of Notes

If any Note, including any Global Note, is mutilated, defaced, stolen, destroyed or lost, it may be replaced at the specified office of the Registrar upon payment by the claimant of the costs incurred in connection therewith and on such terms as to evidence an indemnity as the relevant Issuer may require. Mutilated or defaced Notes must be surrendered before replacements will be issued. Cancellation and replacement of Notes shall be subject to compliance with such procedures as may be required under any applicable law and subject to any applicable stock exchange requirements.

11. Further Issues

(a) Further Issues

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

(b) Consolidation

The Issuer may also from time to time, without the consent of the Noteholders consolidate the Notes with one or more issues of other notes, bonds or debentures issued by it, whether or not originally issued in one of the European national currencies or in euro, provided that such other notes, bonds or debentures have been redenominated in euro (if not originally denominated in euro) and otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

12. Notices

(a) All notices to the holders of registered Notes will be valid if mailed to the addresses of the registered holders or transmitted via DTC pursuant to paragraphs (c) and (d).

(b) All notices regarding Notes, both certificated and global, will be valid if published once in a leading English-language daily newspaper with general circulation in the United States, which is expected to be the Wall Street Journal. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication.

(c) Until such time as any certificated Notes are issued, there may, so long as all the Global Notes for a particular Series, whether listed or not, are held in their entirety on behalf of DTC, be substituted, in relation only to such Series, for such publication as aforesaid in Condition 12(b), the delivery of the relevant notice to DTC for communication by them to the holders of the Notes, except that if the Notes are listed on a stock exchange and the rules of that stock exchange so require, the relevant notice will in any event be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange or on the website of that stock exchange if permitted by such stock exchange.

(d) Notices to be given by any holder of any Notes shall be in writing and given by delivering the same, together with the relevant Note or Notes, to the Fiscal and Paying Agent. While any Notes are represented by a Global Note, such notice may be given by a holder of any of the Notes so represented to the Fiscal and Paying Agent via DTC in such manner as the Fiscal and Paying Agent and DTC may approve for this purpose or in the manner specified in the Fiscal and Paying Agency Agreement.

(e) All notices given to Holders of Notes represented by a Global Note, irrespective of how given, shall also be delivered in writing to DTC.

13. Meetings of Noteholders, Modification and Waiver

(a) With respect to each Series of Notes, the relevant Issuer may, with the consent of the holders of greater than 50% in aggregate principal amount of the then outstanding Notes of such Series, modify and amend the provisions of such Notes, including to grant waivers of future compliance or past default by such Issuer, and if so required, the Issuer will instruct the relevant Agent to give effect to any such amendment, as the case may be, at the sole expense of the Issuer. However, no such amendment or modification will apply, without the consent of each Noteholder affected thereby, to Notes of such Series owned or held by such Noteholder with respect to the following matters:

(i) to change the stated maturity of the principal of, any installment of or interest on such Notes;

(ii) to reduce the principal amount of, the amount of the principal that would be due and payable upon a declaration of acceleration pursuant to Condition 8 (*Events of Default*) of or the rate of interest on such Notes;

(iii) to change the currency or place of payment of principal or interest on such Notes, except as provided in Condition 7 (*Redenomination*) above; and

(iv) to impair the right to institute suit for the enforcement of any payment in respect of such Notes.

(b) In addition, no such amendment or notification may, without the consent of each Noteholder of such Notes, reduce the percentage of principal amount of Notes of such Series outstanding necessary to make these modifications or amendments to such Notes or to reduce the quorum requirements or the percentages of votes required for the adoption of any action at a Noteholder meeting.

(c) Each Issuer may also agree to amend any provision of any Series of Notes of such Issuer with the holder thereof, but that amendment will not affect the rights of the other Noteholders or the obligations of such Issuer with respect to the other Noteholders.

(d) No consent of the Noteholders is or will be required for any modification or amendment requested by an Issuer or by the Fiscal and Paying Agent or with the consent of such Issuer to:

(i) add to such Issuer's covenants for the benefit of the Noteholders; or

(ii) surrender any right or power of such Issuer in respect of a Series of Notes or the Fiscal and Paying Agency Agreement; or

(iii) provide security or collateral for a Series of Notes; or

(iv) cure any ambiguity in any provision, or correct any defective provision, of a Series of Notes; or

(v) change the terms and conditions of a Series of Notes or the Fiscal and Paying Agency Agreement in any manner that such Issuer deems necessary or desirable so long as any such change does not, and will not, adversely affect the rights or interest of any Noteholder of such Notes; or

(vi) redenominate the Notes of a Series in euro when redenomination is specified in the applicable Product and/or Pricing Supplement(s) as being applicable; or

(vii) to give effect to the application of the Bail-In Power by the Relevant Resolution Authority.

(e) Each Issuer may at any time ask for written consent or call a meeting of the Noteholders of a Series to seek their approval of the modification of or amendment to, or obtain a waiver of, any provision of such Series of Notes of such Issuer. This meeting will be held at the time and place determined by such Issuer and specified in a notice of such meeting furnished to the Noteholders. This notice must be given at least thirty (30) days and not more than sixty (60) days prior to the meeting.

(f) If at any time the holders of at least 10% in principal amount for the then outstanding Notes of a Series request the relevant Issuer to call a meeting of the holders of such Notes for any purpose, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, the relevant Issuer will call the meeting for such purpose. This meeting will be held at the time and

place determined by the relevant Issuer, after consultation with the Fiscal and Paying Agent, and specified in a notice of such meeting furnished to the Noteholders. This notice must be given at least thirty (30) days and not more than sixty (60) days prior to the meeting.

(g) Noteholders who hold a majority in principal amount of the then outstanding Notes of a Series will constitute a quorum at a Noteholders' meeting. In the absence of a quorum, a meeting may be adjourned for a period of at least twenty (20) days. At the reconvening of a meeting adjourned for lack of quorum, holders of 25% in principal amount of the then outstanding Notes of such Series shall constitute a quorum. Notice of the reconvening of any meeting may be given only once, but must be given at least ten days and not more than fifteen (15) days prior to the meeting.

(h) At any meeting when there is a quorum present, holders of greater than 50% in principal amount of the then outstanding Notes of a Series may approve the modification or amendment of, or a waiver of compliance for, any provision of the Notes of such Series except for specified matters requiring the consent of each Noteholder, as set forth above. Modifications, amendments or waivers made at such a meeting will be binding on all current and future Noteholders.

14. Agents

In acting under the Fiscal and Paying Agency Agreement, the Agents will act solely as agents of the Issuers and do not assume any obligations or relationship of agency or trust to or with the Noteholders, except that, without affecting the obligations of the Issuers to the Noteholders, to repay Notes and pay interest thereon, funds received by the Fiscal and Paying Agent for the payment of the principal of or interest on the Notes shall be held by it for the Noteholders until the expiration of the relevant period of prescription described under Condition 9 (*Prescription*). Each of the Issuers will agree to perform and observe the obligations imposed upon it under the Fiscal and Paying Agency Agreement. The Fiscal and Paying Agency Agreement contains provisions for the indemnification of the Agents and for relief from responsibility in certain circumstances and entitles any of them to enter into business transactions with the Issuers and any of their affiliates without being liable to account to the Noteholders for any resulting profit.

15. Governing Law; Consent to Jurisdiction and Service of Process

The Notes, the Fiscal and Paying Agency Agreement and the Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; provided, however, that Condition 2(a) (*Status*) of the Notes issued by the Bank will be governed by, and construed in accordance with, French law; provided further that the provisions of the Guarantee relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law.

Each of the Issuers has consented to the jurisdiction of the courts of the State of New York and the U.S. courts located in The City of New York, Borough of Manhattan, with respect to any action that may be brought in connection with the Notes. Each of the Issuers has appointed Natixis, New York Branch as its agent upon whom process may be served in any action brought against such Issuer in any U.S. or New York State court in connection with the Notes.

16. Statutory Write-Down or Conversion

For Notes Issued by Natixis

(a) Acknowledgement

Notwithstanding any other term of any Series of Notes or any other agreement, arrangement or understanding between the Issuers and the Noteholders, by its acquisition of the Bank Notes, each Noteholder (which, for the purposes of Conditions 16(a) to (h), includes each holder of a beneficial interest in the Bank Notes) acknowledges, accepts, consents and agrees:

(i) 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:

(A) the reduction of all, or a portion, of the Amounts Due (as defined below) on a permanent basis;

(B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Bank or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Bank Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Bank Notes any such shares, other securities or other obligations of the Bank or another person;

(C) the cancellation of the Bank Notes;

(D) the amendment or alteration of the maturity of the Bank Notes or amendment of the amount of interest payable on the Bank Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) that the terms of the Bank Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-In Power by the Relevant Resolution Authority.

For purposes of these conditions 16(a) to (h), "**Amounts Due**" means the outstanding principal amount of the Bank Notes, any accrued and unpaid interest and any other amounts due and payable on the Bank Notes.

(b) Bail-In Power

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 of the European parliament and of the Council of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, "**BRRD**"), including without limitation pursuant to French decree-law No. 2015-1024 dated August 20, 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time, the "**August 20, 2015 Decree Law**"), Regulation (EU) No 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, "**Single Resolution Mechanism Regulation**"), 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.

"**Regulated Entity**" means 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 certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

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

(c) Payment of Interest and Other Outstanding Amounts Due

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

(d) Exercise of Bail-In Power Will Not Constitute Event of Default

Neither a cancellation of the Bank Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Bank or another person, as a result of the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to the Bank, nor the exercise of any Bail-In Power by the Relevant Resolution Authority with respect to the Bank Notes will be an Event of Default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies), which are hereby expressly waived.

(e) Notice to Noteholders

Upon the exercise of any Bail-In Power by the Relevant Resolution Authority with respect to the Bank Notes, Noteholders shall receive a written notice from or on behalf of the Bank in accordance with Condition 12 (*Notices*) as soon as practicable regarding such exercise of the Bail-In Power. The Bank will also deliver a copy of such notice to the Fiscal and Paying Agent for informational purposes, although the Fiscal and Paying Agent will not be required to send such notice to Noteholders. Any delay or failure by the Bank to give notice shall not affect the validity and enforceability of the Bail-In Power.

(f) Duties of the Fiscal Agent

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

(g) Proration

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

(h) Conditions Exhaustive

The matters set forth in these Conditions 16(a) to (h) shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Bank and any holder of a Bank Note.

For Notes Issued by the LLC

(i) Acknowledgement

Notwithstanding any other term of any Series of Notes or any other agreement, arrangement or understanding between the Issuers and the Noteholders, by its acquisition of the LLC Notes, each Noteholder (which for the purposes of Conditions 16(i) to (o) includes each holder of a beneficial interest in the LLC Notes) acknowledges, accepts, consents and agrees that, in the event of the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to the obligations of Natixis, the LLC Notes will be subject to the same effects, and Noteholders will be entitled to the same amount of payment (in the same form) as such Noteholders would have been entitled to if their LLC Notes had been issued by Natixis directly. Thus, each Noteholder acknowledges, accepts, consents and agrees:

(i) to be bound by the effect of the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to Natixis, and the application thereof to the LLC Notes as if they were issued by Natixis directly and which may include and result in any of the following, or some combination thereof:

(A) the reduction of all, or a portion, of the Amounts Due (as defined below) on a permanent basis;

(B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of Natixis or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the LLC Notes, in which case the Noteholder agrees to accept in lieu of its rights under the LLC Notes any such shares, other securities or other obligations of Natixis or another person;

(C) the cancellation of the LLC Notes;

(D) the amendment or alteration of the maturity of the LLC Notes or amendment of the amount of interest payable on the LLC Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) that the terms of the LLC Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to the Bank to the extent necessary to give effect to the foregoing with respect to the LLC Notes as if the LLC Notes had been issued by the Bank directly.

For purposes of these Conditions 16(i) to (o), "**Amounts Due**" means the principal amount of the LLC Notes, any accrued and unpaid interest and any other amounts due and payable on the LLC Notes.

(j) Payment of Interest and Other Outstanding Amounts Due

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to the Bank that would have affected the LLC Notes if they had been issued by the Bank directly, unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or

payment would be permitted to be made by the Bank under the laws and regulations in effect in France and the European Union applicable to the Bank or other members of the BPCE group.

(k) No Event of Default

Neither a cancellation of the LLC Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Bank or another person, as a result of the exercise of the Bail-In Power by the Relevant Resolution Authority with respect to the Bank that would have affected the LLC Notes if they had been issued by the Bank directly, will be an Event of Default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies), which are hereby expressly waived.

(l) Notice to Noteholders

Upon the exercise of any Bail-In Power by the Relevant Resolution Authority with respect to the Bank that affects the LLC Notes as if they had been issued by the Bank directly, the Noteholders shall receive a written notice from or on behalf of the LLC in accordance with Condition 12 (Notices) as soon as practicable regarding such exercise of the Bail-in Power. The LLC will also deliver a copy of such notice to the Fiscal and Paying Agent for informational purposes, although the Fiscal and Paying Agent will not be required to send such notice to Noteholders. Any delay or failure by the LLC to give notice shall not affect the validity and enforceability of the Bail-In Power.

(m) Duties of the Fiscal Agent

Upon the exercise of any Bail-In Power by the Relevant Resolution Authority with respect to the Bank that affects the LLC Notes as if they had been issued by the Bank directly, (a) the Fiscal and Principal Paying Agent and any other Agent shall not be required to take any directions from Noteholders, and (b) the Fiscal and Paying Agency Agreement shall impose no duties upon any Agent whatsoever, in each case with respect to the exercise of any Bail-In Power by the Relevant Resolution Authority with respect to the Bank that would have affected the LLC Notes if they had been issued by the Bank directly.

(n) Proration

If the Relevant Resolution Authority exercises the Bail-In Power and such exercise, applied to the LLC Notes in accordance with Condition 16(i), affects total Amounts Due, unless the Fiscal Agent is otherwise instructed by the Bank or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the LLC Notes pursuant to this Condition 16 as a result of the exercise of the Bail-In Power will be made on a pro-rata basis as if the LLC Notes had been issued by the Bank directly.

(o) Conditions Exhaustive

The matters set forth in these Conditions 16(i) to (o) shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the LLC and any holder of an LLC Note.

17. Definitions

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

"**ACPR**" has the meaning attributed thereto in Condition 16(b).

"**Agent**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Amounts Due**" has the meaning attributed thereto in Condition 16(a) or 16(i), as applicable.

"**August 20, 2015 Decree Law**" has the meaning attributed thereto in Condition 16(b).

"**Amortized Face Amount**" has the meaning attributed thereto in Condition 4(e)(ii).

"**Bail-In Power"** has the meaning attributed thereto in Condition 16(b).

"**Bank**" means Natixis, a French incorporated company (*société anonyme*).

"**Bank Note(s)**" means any Note(s) issued by the Bank.

"**Benchmark**" means the benchmark specified in the applicable Product and/or Pricing Supplement(s).

"**Business Center**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial center as may be specified as such in the relevant Product and/or Pricing Supplement(s) or, if none is so specified, the financial center with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the euro-zone) or, if none is so connected, New York.

"**Business Day**" means:

(i) in the case of a Specified Currency other than euro or U.S. dollars, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial center for that currency; and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "TARGET Business Day"); and/or

(iii) in the case of U.S. dollars, a day on which commercial banks and foreign exchange markets settle payments are open for general business, including dealing in foreign exchange and foreign currency deposits, in New York City; and/or

(iv) in the case of a Specified Currency and/or one or more Business Centers, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Specified Currency in the Business Center(s) or, if none is specified, generally in each of the Business Centers so specified in the relevant Product and/or Pricing Supplement(s).

"**Business Day Convention**" means the convention, if any, specified in the applicable Product and/or Pricing Supplement(s), construed in accordance with Condition 3(b).

"**Branch**" means the New York Branch of the Bank.

"**BRRD**" has the meaning attributed thereto in Condition 16(b).

"**Calculation Agent**" means Natixis or such other agent as may be appointed in relation to a specific Series of Notes and, if other than Natixis, will be specified in the relevant Product and/or Pricing Supplement in relation to a specific Series of Notes.

"**Calculation Amount**" means an amount specified in the relevant Product and/or Pricing Supplement(s) constituting either (i) in the case of one single denomination, the amount of that denomination (e.g., $10,000) or (ii) in the case of multiple denominations, the highest common amount by which the multiple denominations may be divided (for example, $1,000 in the case of $11,000, $12,000 or $13,000).

"**Certificate**" means a registered certificate representing one or more Notes of the same Series.

"**Commodity Linked Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Credit-Linked Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

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

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

(ii) if "Actual/Actual–ICMA" is specified in the relevant Product and/or Pricing Supplement(s):

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

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

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

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

where:

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

"**Determination Date**" means the date specified as such in the relevant Product and/or Pricing Supplement(s) or, if none is so specified, the Specified Interest Payment Date;

if "Actual/365 (Fixed)" is specified in the relevant Product and/or Pricing Supplement(s), the actual number of days in the Calculation Period divided by 365;

if "Actual/360" is specified in the relevant Product and/or Pricing Supplement(s), the actual number of days in the Calculation Period divided by 360;

if "30/360", "360/360" or "Bond Basis" is specified in the relevant Product and/or Pricing Supplement(s), the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first 0day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(iii) if "30E/360" or "Eurobond Basis" is specified in the relevant Product and/or Pricing Supplement(s), the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30";

(iv) if "30E/360 (ISDA)" is specified in the relevant Product and/or Pricing Supplement(s), the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

"**Definitive Registered Note**" means a certificated Note in registered and definitive form issued or, as the case may require, to be issued by an Issuer in accordance with the provisions of the amended and restated placement agreement dated as of April 23, 2015 (as it may be updated or supplemented from time to time, the "**Placement Agreement**"), among the Issuers and Natixis Securities Americas LLC, providing for the offering and sale of the Notes or any other agreement between such Issuer and the relevant Dealer(s) either on issue or in exchange for all or part of a Global Note, the Note in registered and definitive form being in or substantially in the form set out in Part II of Schedule 3 of the Fiscal and Paying Agency Agreement with such modifications (if any) as may be agreed between such Issuer and the relevant Dealer(s) and having the Conditions endorsed on it or attached to it or, if permitted by the relevant stock exchange and agreed by such Issuer and the relevant Dealer(s), incorporated in it by reference and having the applicable Product and/or Pricing Supplement (or the relevant provisions of the applicable Product and/or Pricing Supplement) either incorporated in it or endorsed on it or attached to it.

"**Designated Exchange Rate**" means the exchange rate identified as such in the applicable Product and/or Pricing Supplement(s).

"**DTC**" has the meaning attributed thereto in Condition 5(b).

"**DTC business day**" has the meaning attributed thereto in Condition 5(b).

"**Dual Currency Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Early Redemption Amount**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**EC**" has the meaning attributed thereto in Condition 7(a).

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Product and/or Pricing Supplement(s) or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates. The Effective Date shall not be subject to adjustment in accordance with any Business Day Convention unless specifically provided in the relevant Product and/or Pricing Supplement(s).

"**Equity-Linked Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**EMU**" has the meaning attributed thereto in Condition 7(a).

"**euromarket debt obligations**" has the meaning attributed thereto in Condition 7(b).

"**Euro-zone**" means the region comprised of member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community as amended.

"**Event of Default**" has the meaning attributed thereto in Condition 8.

"**Final Redemption Amount**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**Fiscal and Paying Agent**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Fiscal and Paying Agency Agreement**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Fixed Rate Notes**" means Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Floating Rate**" means the rate identified as such in the applicable Product and/or Pricing Supplement(s).

"**Floating Rate Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Fund Linked Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Global Notes**" has the meaning attributed thereto in Condition 1(a)(i).

"**Guarantee**" means the unconditional guarantee by the Guarantor of the obligations of the Issuers to pay principal, interest and other amounts under the 3(a)(2) Notes.

"**Guarantor**" means the Bank, acting through its New York Branch, as guarantor of the 3(a)(2) Notes.

"**Holders**" has the meaning attributed thereto in Condition 1(a)(iii).

"**Illegality Event**" has the meaning attributed thereto in Condition 4(j).

"**Index-Linked Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Installment Amount**" means the amount identified as such in the applicable Product and/or Pricing Supplement(s).

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

"**Interest Amount**" means, in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period, which shall be determined as follows (except as otherwise specified in the applicable Product and/or Pricing Supplement(s)):

(i) in the case of any Interest Accrual Period for which a fixed Interest Amount is specified in the applicable Product and/or Pricing Supplement(s), such fixed Interest Amount; and

(ii) in respect of any other Interest Accrual Period, the amount of interest calculated pursuant to Condition 3(i).

"**Interest Commencement Date**" means, in the case of interest bearing Notes, the Issue Date or such other date as may be specified in the relevant Product and/or Pricing Supplement(s).

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Product and/or Pricing Supplement(s) or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two (2) Business Days in New York prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two (2) Target Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

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

"**Interest Period Date**" means each Specified Interest Payment Date unless otherwise specified in the relevant Product and/or Pricing Supplement(s).

"**ISDA Definitions**" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Product and/or Pricing Supplement(s).

"**ISDA Rate**" has the meaning attributed thereto in Condition 3(c)(i).

"**Issuer**" means each of the Bank and the LLC.

"**Issuer Call**" has the meaning attributed thereto in Condition 4(f).

"**Issuer's Option Period**" means the period specified in the applicable Product and/or Pricing Supplement with respect to Condition 4(f).

"**Issue Date**" means, in relation to any Series, the date on which the Notes of that Series have been issued or, if not yet issued, the date agreed for their issue between the Issuer and the Relevant Dealer(s).

"**Linked Note**" means a Note in respect of which the amount in respect of principal and/or interest payable is calculated by reference to an index and/or a formula as an Issuer and the Relevant Dealers may agree, as indicated in the applicable Product and/or Pricing Supplement(s) and may be an Equity-Linked Note, Index-Linked Note, Credit-Linked Note, Commodity Linked Note or any other type of Linked Note identified as such in the applicable Product and/or Pricing Supplement(s).

"**LLC**" means Natixis US Medium-Term Note Program LLC, a wholly-owned subsidiary of the Bank.

"**LLC Note(s)**" means any Note(s) issued by the LLC.

"**Margin**" means any amount specified as such in the applicable Product and/or Pricing Supplement(s).

"**Maturity Date**" means the date identified as such in the applicable Product and/or Pricing Supplement(s).

"**Maximum Rate of Interest**" means any amount specified as such in the applicable Product and/or Pricing Supplement(s).

"**Maximum Redemption Amount**" means the amount per Note specified as such in the applicable Product and/or Pricing Supplement(s).

"**Minimum Rate of Interest**" means any amount specified as such in the applicable Product and/or Pricing Supplement(s).

"**Minimum Redemption Amount**" means the amount per Note specified as such in the applicable Product and/or Pricing Supplement(s).

"**Noteholders**" has the meaning attributed thereto in Condition 1(a)(iii).

"**Notes**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Notes subject to Redemption by Physical Delivery**" mean Notes in respect of which either an amount of principal and/or interest is payable by reference to an underlying equity, bond, security or other asset as may be specified in the applicable Product and/or Pricing Supplement(s) (the "**Underlying Assets**"), and a "**Physical Delivery Amount**," being the number of Underlying Assets plus or minus any amount due to or from the Noteholder in respect of each Note, is deliverable and/or payable, in each case, by reference to one or more Underlying Assets as the relevant Issuer and the relevant Agents may agree and as set out in the applicable Product and/or Pricing Supplement(s).

"**Option Election Date(s)**" means the date or dates specified in the relevant Pricing Supplement in relation to any Series of Dual Currency Notes.

"**Optional Payment Currency**" means the currency specified as such in the relevant Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

"**Optional Redemption Amount**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**Optional Redemption Date**" means the date a Series of Notes is to be redeemed in accordance with Condition 4(f) or 4(g).

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those which have been redeemed in accordance with these Terms and Conditions, (b) those in respect of which the date for redemption has occurred and the redemption monies (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in these Terms and Conditions, (c) those which have become void or in respect of which claims have become prescribed, (d) those

which have been purchased and cancelled as provided in these Terms and Conditions, (e) those mutilated or defaced certificated Notes which have been surrendered in exchange for replacement Notes, (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those certificated Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued, and (g) any Global Note to the extent that it has been exchanged for Definitive Registered Notes, provided that for the purpose of determining how many and which Notes of the Series are outstanding for the purposes of Condition 13, those Notes, if any, that are for the time being held by or for the benefit of an Issuer or any Subsidiary of such Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

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

"**Partly Paid Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

"**Paying Agent**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Physical Delivery Amount**" has the meaning attributed thereto in Condition 5(e).

"**Primary Source**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**Principal Financial Center**" has the meaning attributed thereto in Condition 3(c)(ii)(4).

"**Rate of Exchange**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**Rate of Interest**" means the rate of interest payable from time to time in respect of the Note and that is either specified or calculated in accordance with the provisions specified in the relevant Product and/or Pricing Supplement.

"**Record Date**" has the meaning attributed thereto in Condition 5(b).

"**Redeemed Notes**" has the meaning attributed thereto in Condition 4(f).

"**Redemption Amount**" means the Final Redemption Amount, as determined by the Calculation Agent on the Determination Date, the Early Redemption Amount or the Optional Redemption Amount, as the case may be.

"**Redenomination Date**" has the meaning attributed thereto in Condition 7(a).

"**Reference Banks**" means the institutions specified as such in the relevant Product and/or Pricing Supplement or, if none is so specified, five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if LIBOR is the relevant Benchmark, shall be the London interbank market).

"**Register**" means the register maintained by The Bank of New York Mellon as Registrar in accordance with the Fiscal and Paying Agency Agreement and Condition 1(a)(ii).

"**Registered Notes**" means Notes in registered form in accordance with Condition 1.

"**Registrar**" means The Bank of New York Mellon (or such other Registrar as may be appointed under the Fiscal and Paying Agency Agreement generally or in relation to a specific Series of Notes).

"**Regulated Entity**" has the meaning attributed thereto in Condition 16(b).

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

"**Relevant Dealer**" means the dealer or dealers specified in the relevant Product and/or Pricing Supplement with respect to a Series of Notes.

"**Relevant Debt**" has the meaning attributed thereto in Condition 2(b).

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

"**Relevant Resolution Authority**" has the meaning attributed thereto in Condition 16(b).

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Business Center specified in the relevant Product and/or Pricing Supplement or, if none is specified, the local time in the Business Center at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Business Center, or, if no such customary local time exists, 11.00 hours in the Business Center and for the purpose of this definition, "local time" means, with respect to Europe and the Euro-zone as a Business Center, Brussels time or otherwise stated in the relevant Product and/or Pricing Supplement.

"**Replacement Page**" has the meaning attributed thereto in Condition 3(c)(ii)(2).

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

"**Secondary Replacement Page**" has the meaning attributed thereto in Condition 3(c)(ii)(2).

"**Selection Date**" has the meaning attributed thereto in Condition 4(f).

"**Series**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Single Resolution Board**" has the meaning attributed thereto in Condition 16(b).

"**Single Resolution Mechanism Regulation**" has the meaning attributed thereto in Condition 16(b).

"**Specified Currency**" means the currency specified as such in the relevant Product and/or Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

"**Specified Denomination**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s) or, if not stated therein, $100,000 (in the case of the 3(a)(2) Notes) or $250,000 (in the case of the Rule 144A Notes and the Regulation S Notes) and, in each case, integral multiples of $1,000 in excess thereof.

"**Specified Duration**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the relevant Product and/or Pricing Supplement or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 3(b).

"**Specified Interest Payment Date**" has the meaning attributed thereto in the applicable Product and/or Pricing Supplement(s).

"**Subsidiary**" means, in relation to any person or entity at any time, any other person or entity (whether or not now existing) meeting the definition of Article L. 233-1 of the French Commercial Code or any other person or entity controlled directly or indirectly by such person or entity within the meaning of Article L. 233-3 of the French Commercial Code.

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

"**Tranche**" has the meaning attributed thereto in the introductory paragraphs of these Terms and Conditions.

"**Transfer Agents**" means such Transfer Agent or Agents as may be appointed from time to time hereunder either generally or in relation to a specific Series of Notes.

"**Transfer Notice**" has the meaning attributed thereto in Condition 5(d).

"**Treaty**" has the meaning attributed thereto in Condition 7(a).

"**Zero Coupon Notes**" mean Notes identified as such in the applicable Product and/or Pricing Supplement(s).

Except as otherwise set forth herein, references in these Terms and Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Installment Amounts, Redemption Amounts, Amortized Face Amounts, Physical Delivery Amounts and all other amounts in the nature of principal payable pursuant to Condition 4 (Redemption and Purchase) or Condition 5 (Payments) or any amendment or supplement to either or both of them, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 3 (Interest and other Calculations) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under Condition 6 (Taxation).

GUARANTEE OF THE 3(A)(2) NOTES

The Guarantee granted by the Guarantor is only so granted with respect to the 3(a)(2) Notes. All Notes issued by the LLC will be 3(a)(2) Notes and will have the benefit of the Guarantee. The Rule 144A Notes and Regulation S Notes will not benefit from the Guarantee.

The obligations of the relevant Issuer to pay principal, interest and other amounts under the 3(a)(2) Notes will be guaranteed by the Guarantor. The Guarantor's obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Bank (acting through the Branch) and will at all times rank *pari passu* without any preference among themselves and without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise, other than statutorily preferred exceptions. The payment obligations of the Guarantor under the 3(a)(2) Notes will, subject to such exceptions as may be provided for by applicable law, at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of the Bank. The Guarantee will include a provision with respect to additional amounts similar to Condition 6 (*Taxation*) in "Terms and Conditions of the Notes" with respect to any amounts to be paid under the Guarantee. The Guarantee is available for inspection at the principal office of the Fiscal and Paying Agent.

The holders of the 3(a)(2) Notes from time to time will be beneficiaries of the Guarantee. No trustee or other fiduciary will be appointed to make claims under the Guarantee on behalf of the 3(a)(2) Noteholders and the Guarantor is not a party to the Fiscal and Paying Agency Agreement. The Guarantor will be required to make payment under the Guarantee following the receipt of a notice from a Noteholder to the effect that the relevant Issuer has defaulted in respect of an obligation that is guaranteed by the Guarantor, supporting documentation with respect thereto, and evidence of the title of such Noteholder to the relevant Notes.

The Guarantee will be governed by, and construed in accordance with, the laws of the State of New York; except that the provisions of the Guarantee relating to the ranking of the Guarantor's obligations thereunder will be governed by, and construed in accordance with, French law. The Guarantor will consent to the jurisdiction of the courts of the State of New York and the U.S. courts located in The City of New York, Borough of Manhattan, with respect to any action that may be brought in connection with the Guarantee. The Guarantor has appointed Natixis, New York Branch as its agent upon whom process may be served in any action brought against the Guarantor in any U.S. or New York State court.

The Guarantor's obligations under the Guarantee are expressed to be limited to those owed by the relevant Issuer to the Holders. As a consequence, the application of the Bail-In Tool to the Notes, as described under Section "*Government Supervision and Regulation of Credit Institutions in France*," could effectively limit the Guarantor's obligation under the Guarantee.

In addition, the Bail-In Tool might also apply to a guarantee obligation such as the Guarantee. The Guarantee will contain a clause substantially similar to that contained in Conditions 16(a) to (h) in "Terms and Conditions of the Notes", pursuant to which holders of Notes issued on or after January 1, 2016 will be deemed to have acknowledged and agreed that the Bail-In Tool may be exercised by the Relevant Resolution Authority in respect of the Guarantee.

While holders of the Notes, as beneficiaries of the Guarantee, are creditors of the New York branch of the Guarantor, and therefore benefit from the NYBL's statutory preference regime with respect to assets of the New York branch, if the Issuer's obligations under the Notes or the Guarantor's obligation under the Guarantee were subject to the Bail-In Tool, there would be no remaining claim (or a reduced remaining claim) that would benefit from this preference regime.

As a result, the Bail-In Tool, if applied to the Notes or to liabilities of the Guarantor, could effectively limit the extent of a recovery under the Guarantee.

For further information about the Bail-In Tool, see "*Government Supervision and Regulation of Credit Institutions in France*."

BOOK-ENTRY PROCEDURES AND SETTLEMENT

Unless otherwise provided in the applicable Product and/or Pricing Supplement(s), each series of Notes will be book-entry securities, represented upon issuance by one or more fully registered global Notes ("Global Notes"), without interest coupons, and each global Note will be deposited with, or on behalf of, The Depository Trust Company ("DTC"), as depositary, and will be registered in the name of Cede & Co., DTC's nominee. DTC will thus be the only registered holder of these Notes and will be considered the sole owner of the Notes for purposes of the Fiscal and Paying Agency Agreement. The Global Notes may take the form of one or more master notes representing one or more series of Notes.

Depositary Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream, Luxembourg are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. The Issuers and Guarantor take no responsibility for these operations and procedures and urge investors to contact the systems or their participants directly to discuss these matters.

DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "**Participants**") and facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the Dealers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "**Indirect Participants**"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants. DTC has no knowledge of the identity of beneficial owners of securities held by or on behalf of DTC. DTC's records reflect only the identity of Participants to whose accounts securities are credited. The ownership interests and transfer of ownership interests of each beneficial owner of each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Pursuant to procedures established by DTC:

- upon deposit of the Global Notes, DTC will credit the accounts of Participants designated by the Dealers with portions of the principal amount of the Global Notes, and

- ownership of such interests in the Global Notes will be maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including, as the case may be, Euroclear and Clearstream, Luxembourg) that are Participants or Indirect Participants in such system. Euroclear and Clearstream, Luxembourg will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream, Luxembourg. The depositaries, in turn, will hold interests in the Global Notes in customers' securities accounts in the depositaries' names on the books of DTC.

All interests in the Global Notes, including those held through Euroclear or Clearstream, Luxembourg, will be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream, Luxembourg will also be subject to the procedures and requirements of these systems. The laws of some states require that certain persons take physical delivery of certificates evidencing securities they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of beneficial owners of interests in the Global Notes to pledge such interests to persons or entities that do not participate in the

DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests. For certain other restrictions on the transferability of the Notes, see "Terms and Conditions of the Notes

Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or holders thereof for any purpose.

Payments in respect of the principal of and premium, if any, and interest on a Global Note registered in the name of DTC or its nominee will be payable by the Paying Agent to DTC in its capacity as the registered holder under the Fiscal and Paying Agency Agreement. The Issuers, the Guarantor and the Paying Agent will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, none of the Issuers, the Guarantor, the Paying Agent or any agent of the Issuers, the Guarantor or the Paying Agent has or will have any responsibility or liability for:

- any aspect of DTC's records or any Participant's or Indirect Participant's records relating to, or payments made on account of beneficial ownership interests in, the Global Notes, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes, or

- any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

The Issuers and Guarantor understand that DTC's current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date in amounts proportionate to their respective holdings in the principal amount of the relevant security as shown on the records of DTC, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Paying Agent, the Issuers or the Guarantor. Neither the Issuers or the Guarantor nor the Paying Agent will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the Notes, and the Issuers, the Guarantor and the Paying Agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream, Luxembourg participants, interests in the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will therefore settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants.

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between Participants in DTC, on the one hand, and Euroclear or Clearstream, Luxembourg participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be, by their depositaries. Cross-market transactions will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in that system in accordance with the rules and procedures and within the established deadlines (Brussels time) of that system. Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositaries to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC.

Euroclear and Clearstream, Luxembourg participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream, Luxembourg.

Because of time zone differences, the securities account of a Euroclear or Clearstream, Luxembourg participant purchasing an interest in a Global Note from a Participant in DTC will be credited and reported to the relevant Euroclear or Clearstream, Luxembourg participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream, Luxembourg) immediately following the settlement date of DTC. The Issuers and Guarantor understand that cash received in Euroclear or Clearstream, Luxembourg as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream, Luxembourg participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream, Luxembourg cash account only as of the business day for Euroclear or Clearstream, Luxembourg following DTC's settlement date.

The Issuers and Guarantor understand that DTC will take any action permitted to be taken by a holder of Notes only at the direction of one or more Participants to whose account with DTC interests in a Global Note are credited and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the foregoing procedures to facilitate transfers of interests in the Global Note among participants in DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or to continue to perform such procedures, and the procedures may be discontinued at any time. Neither the Issuers or the Guarantor nor the Paying Agent, Fiscal and Paying Agent, Exchange Agent or Registrar will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg and their book-entry systems has been obtained from sources that the Issuers and the Guarantor believe to be reliable, but the Issuers and the Guarantor take no responsibility for the accuracy thereof.

Exchange of Interests in the Global Notes

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note upon receipt by the fiscal agent of a written certificate to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in one of the Global Notes for a beneficial interest in another Global Note will be effected in DTC by means of an instruction originated by the fiscal agent through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Global Note representing the beneficial interest that is transferred and a corresponding increase in the principal amount of the other Global Note, as applicable. Any beneficial interest in one of the Global Notes will, upon transfer, cease to be an interest in such Global Note and will become an interest in another Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to interests in such other Global Note for so long as it remains such an interest.

Exchange of Global Notes for Certificated Notes

Global Notes will not be exchangeable for certificated Notes and will not otherwise be issuable as certificated Notes, subject to the following exceptions, whereby physical certificates will be issued to beneficial owners of a Global Note if:

- an Event of Default has occurred and is continuing;

- DTC has notified the relevant Issuer that it is unwilling or unable to continue to act as depositary for the Notes and the relevant Issuer does not appoint a successor within 90 days;

- DTC has ceased to constitute a clearing agency registered under the U.S. Securities Exchange Act of 1934, as amended, and the relevant Issuer does not appoint a successor within 90 days; or

- the relevant Issuer decides in its sole discretion (subject to the procedures of the depositary) that it does not want to have the Notes of that series represented by global certificates.

If any of the events described in the preceding paragraph occurs, the relevant Issuer will issue definitive Notes in certificated form in an amount equal to a holder's beneficial interest in the Notes. Certificated Notes will be issued in the denominations of the Notes indicated in the Product and/or Pricing Supplement or, if no denomination is specified, in minimum denominations of $100,000 (in the case of the 3(a)(2) Notes) or $250,000 (in the case of the Rule 144A Notes and the Regulation S Notes) and, in each case, integral multiples of $1,000 in excess thereof, and will be registered in the name of the person DTC specifies in a written instruction to the Registrar of the Notes.

In all cases, certificated Notes delivered in exchange for any Global Notes or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures).

In the event certificated Notes are issued:

- holders of certificated Notes will be able to receive payments of principal and interest on their Notes at the office of the Paying Agent maintained in the City of New York, unless otherwise specified in the applicable Product and/or Pricing Supplement with respect to a Series of Notes;

- holders of certificated Notes will be able to transfer their Notes, in whole or in part, by surrendering the Notes for registration of transfer at the office of the Registrar. The relevant Issuer will not charge any fee for the registration or transfer or exchange, except that the Issuer may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer.

TAXATION

United States Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to the holder of a Note. This summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change.

This summary deals only with initial holders that will hold Notes as capital assets, and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, insurance companies, dealers in securities or currencies, traders in securities electing to mark to market, a partnership or entity taxed as such or the partners therein, persons that will hold Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or persons that have a "functional currency" other than the U.S. dollar. Further, this summary does not address the alternative minimum tax, consequences arising under state or local tax laws, the Medicare tax on net investment income or other aspects of U.S. federal income or state and local taxation that may be relevant to a holder in light of such holder's particular circumstances.

For purposes of this discussion, a "U.S. holder" is a holder of a Note that is an individual who is a citizen or resident of the United States or a domestic U.S. corporation or an entity that otherwise is subject to U.S. federal income taxation on a net income basis in respect of a Note. A "non-U.S. holder" is a holder of a Note that is not a U.S. Holder.

Investors should consult their own tax advisors in determining the tax consequences to them of holding the Notes, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws and the possible effects of changes in federal or other tax laws.

Scope. Depending on the relevant economic terms of the Notes, including whether holders of the Notes have principal protection, the Notes may be characterized for U.S. federal income tax purposes as indebtedness, forward contracts or other financial derivatives, or possibly (in the case of Notes subject to Redemption by Physical Delivery) as interests in the Underlying Assets of any linked payments on the Notes. In general, we expect that any Note that promises (subject to provisions giving effect to the Bail-in Tool) to repay principal in an amount at least equal to its issue price should be treated as indebtedness for U.S. federal income tax purposes. The following discussion addresses the consequences to holders of Fixed-Rate Notes that are characterized for U.S. federal income tax purposes as indebtedness of the Issuer. Any special U.S. federal income tax considerations relevant to a particular issue of Notes, including any Floating-Rate Notes, Dual Currency Notes and Linked Notes, will be provided in the applicable Product and/or Pricing Supplement.

U.S. Holders

Payments of Interest

Payments of "qualified stated interest", as defined below under "Original Issue Discount," but excluding any pre-issuance accrued interest, on a Note will be taxable to a U.S. holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the U.S. holder's method of tax accounting.

If payments of interest are made relating to a Note that is denominated in a Specified Currency other than U.S. dollar (a "foreign currency Note"), the amount of interest income realized by a U.S. holder that uses the cash method of tax accounting will be the U.S. dollar value of the Specified Currency payment based on the spot rate of exchange on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. No exchange gain or loss will be recognized with respect to the receipt of such payment (other than exchange gain or loss realized on the disposition of the foreign currency so received). A U.S. holder that uses the accrual method of tax accounting will accrue interest income on the foreign currency Note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on:

- the average exchange rate in effect during the interest accrual period, or portion thereof within the holder's taxable year; or

- at the holder's election, at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) the date of receipt, if that date is within five business days of the last day of the accrual period.

Such an election must be applied consistently by the U.S. holder to all debt instruments from year to year and can be changed only with the consent of the IRS. A U.S. holder that uses the accrual method of tax accounting will recognize foreign currency gain or loss, which will be treated as ordinary income or loss, on the receipt of an interest payment made relating to a foreign currency Note if the spot rate of exchange on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. Amounts attributable to pre-issuance accrued interest will generally not be includable in income, except to the extent of foreign currency gain or loss attributable to any changes in exchange rates during the period between the date the U.S. Holder acquired the Note and the first Interest Payment Date. This foreign currency gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on the Notes.

Purchase, Sale and Retirement of Notes

A U.S. holder's tax basis in a Note generally will equal the cost of that Note to such holder

(1) increased by any amounts includible in income by the holder as original issue discount ("OID") (as described below) and

(2) reduced by any amortized premium and any payments other than payments of qualified stated interest (each as described below) made on the Note.

In the case of a foreign currency Note, the cost of the Note to a U.S. holder will generally be the U.S. dollar value of the foreign currency purchase price on the date of purchase. The amount of any subsequent adjustments to a U.S. holder's tax basis in a foreign currency Note in respect of OID or premium will be determined in the manner described below. The conversion of U.S. dollars to another Specified Currency and the immediate use of the Specified Currency to purchase a foreign currency Note generally will not result in taxable gain or loss for a U.S. holder.

Upon the sale, exchange, retirement or other taxable disposition (collectively, a "disposition") of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between (1) the amount realized on the disposition, less any accrued qualified stated interest, which will be taxable in the manner described above under "Payments of Interest," and (2) the U.S. holder's adjusted tax basis in the Note. If a U.S. holder receives a Specified Currency other than the U.S. dollar in respect of the disposition of a Note, the amount realized will be the U.S. dollar value of the Specified Currency received calculated at the spot rate of exchange on the date of disposition of the Note.

Except as discussed below in connection with foreign currency gain or loss, market discount and short term Notes, gain or loss recognized by a U.S. holder on the sale, exchange, retirement or other taxable disposition of a Note will generally be long term capital gain or loss if the U.S. holder's holding period for the Note exceeded one year at the time of such disposition.

Gain or loss recognized by a U.S. holder on the sale, exchange, retirement or other taxable disposition of a foreign currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held the Note.

Original Issue Discount

In General. Notes with a term greater than one year may be issued with OID for United States federal income tax purposes. Such Notes are referred to herein as OID Notes. U.S. holders generally must accrue OID in

gross income over the term of the OID Notes on a constant yield basis, regardless of their regular method of tax accounting. As a result, U.S. holders generally will recognize taxable income in respect of an OID Note in advance of the receipt of cash attributable to such income.

OID generally will arise if the stated redemption price at maturity of the Note exceeds its issue price by more than a de minimis amount equal to 0.25% of the Note's stated redemption price at maturity multiplied by the number of complete years to maturity. OID may also arise if a Note has particular interest payment characteristics, such as interest holidays, interest payable in additional securities or stepped interest. For this purpose, the issue price of a Note is the first price at which a substantial amount of Notes is sold to the public (i.e., excluding sales of the Notes to underwriters, placement agents, wholesalers or similar persons). The stated redemption price at maturity of a Note is the sum of all payments due under the Note, other than payments of qualified stated interest. The term qualified stated interest generally means stated interest that is unconditionally payable in cash or property, other than debt instruments of the issuer, at least annually during the entire term of the OID Note at a single fixed rate of interest or, under particular conditions, based on one or more interest indices.

For each taxable year of a U.S. holder, the amount of OID that must be included in gross income in respect of an OID Note will be the sum of the daily portions of OID for each day during that taxable year or any portion of the taxable year in which such a U.S. holder held the OID Note. Such daily portions are determined by allocating to each day in an accrual period a pro rata portion of the OID allocable to that accrual period. Accrual periods may be of any length and may vary in length over the term of an OID Note. However, accrual periods may not be longer than one year and each scheduled payment of principal or interest must occur on the first day or the final day of a period.

The amount of OID allocable to any accrual period generally will equal (1) the product of the OID Note's adjusted issue price at the beginning of the accrual period multiplied by its yield to maturity (as adjusted to take into account the length of the accrual period), less (2) the amount, if any, of qualified stated interest allocable to that accrual period. The adjusted issue price of an OID Note at the beginning of any accrual period will equal the issue price of the OID Note, as defined above, (1) increased by previously accrued OID from prior accrual periods, and (2) reduced by any payment made on the Note, other than payments of qualified stated interest, on or before the first day of the accrual period.

Foreign Currency Notes. In the case of an OID Note that is also a foreign currency Note, a U.S. holder should determine the U.S. dollar amount includible in income as OID for each accrual period by

- calculating the amount of OID allocable to each accrual period in the Specified Currency using the constant-yield method described above, and

- translating the amount of the Specified Currency so derived at the average exchange rate in effect during that accrual period, or portion of the accrual period within a U.S. holder's taxable year, or, at the U.S. holder's election (as described above under "Payments of Interest"), at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) on the date of receipt, if that date is within five business days of the last day of the accrual period.

All payments on an OID Note, other than payments of qualified stated interest, will generally be viewed first as payments of previously accrued OID, to the extent thereof, with payments attributed first to the earliest accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID, whether in connection with a payment of an amount that is not qualified stated interest or the disposition of the OID Note, a U.S. holder will recognize ordinary income or loss measured by the difference between (1) the amount received and (2) the amount accrued. The amount received will be translated into U.S. dollars at the spot rate of exchange on the date of receipt or on the date of disposition of the OID Note. The amount accrued will be determined by using the rate of exchange applicable to such previous accrual.

Premium and Market Discount

A U.S. holder of a Note that purchases the Note at a cost greater than its stated redemption price will be considered to have purchased the Note at a premium, and may elect to amortize the premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Note. Such election, once made, generally applies to all debt instruments held or subsequently acquired by the U.S. holder on or after the first taxable year to which such election applies, and may not be revoked without the consent of the IRS. A U.S. holder that elects to amortize the premium must reduce its tax basis in a Note by the amount of the premium amortized during its holding period.

With respect to a U.S. holder that does not elect to amortize bond premium, the amount of bond premium will be included in the U.S. holder's tax basis when the Note matures or is disposed of by the U.S. holder. Therefore a United States holder that does not elect to amortize the premium and that holds the Note to maturity generally will be required to treat the premium as capital loss when the Note matures. In the case of premium in respect of a foreign currency Note, a U.S. holder should calculate the amortization of the premium in the Specified Currency. Exchange gain or loss will be realized with respect to amortized bond premium on such a Note based on the difference between the exchange rate on the date or dates the premium is recovered through interest payments on the Note and the exchange rate on the date on which the U.S. holder purchased the Note.

If a U.S. holder of a Note purchases the Note at a price that is lower than its remaining redemption amount (or in the case of an Original Issue Discount Note, its adjusted issue price) by at least 0.25% of its remaining redemption amount (or adjusted issue price) multiplied by the number of remaining whole years to maturity, the Note will be considered to have "market discount" in the hands of the U.S. holder. In such case, gain realized by the U.S. holder on the disposition of the Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by the U.S. holder. In addition, the U.S. holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note. In general terms, market discount on a Note will be treated as accruing ratably over the term of the Note, or, at the election of the U.S. holder, under a constant-yield method. Market discount on a Foreign Currency Note will be accrued by a U.S. holder in the specified currency. The amount includible in income by a U.S. holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued, generally calculated at the exchange rate in effect on the date that the Note is disposed of by the U.S. holder.

A U.S. holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of a Note as ordinary income. If a U.S. holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. Any accrued market discount on a Foreign Currency Note that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. holder's taxable year). Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS.

Short-Term Notes

The rules set forth above also will generally apply to Notes having maturities of not more than one year from the date of issuance. Those Notes are called short-term Notes in this Base Offering Memorandum. Certain modifications apply to these general rules.

First, none of the interest on a short-term Note is treated as qualified stated interest. Instead, interest on a short-term Note is treated as part of the short-term Note's stated redemption price at maturity, thereby giving rise to OID. Thus, all short-term Notes will be OID Notes. OID will be treated as accruing on a short-term Note ratably, or at the election of a U.S. holder, under a constant yield method.

Second, a U.S. holder of a short-term Note that uses the cash method of tax accounting will generally not be required to include OID in respect of the short-term Note in income on a current basis. The U.S. holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such Note until the maturity of the Note or its earlier disposition in a taxable transaction. In addition, such a

U.S. holder will be required to treat any gain realized on a disposition of the Note as ordinary income to the extent of the holder's accrued OID on the Note, and as short-term capital gain to the extent the gain exceeds accrued OID. A U.S. holder of a short-term Note using the cash method of tax accounting may, however, elect to accrue OID into income on a current basis or to accrue the "acquisition discount" on the Note under the rules described below (in such case, the limitation on the deductibility of interest described above will not apply). A U.S. holder using the accrual method of tax accounting generally will be required to include OID on a short-term Note in income on a current basis.

Alternatively, a U.S. holder of a short-term Note, whether using the cash or accrual method of tax accounting, can elect to accrue the acquisition discount, if any, on the Note on a current basis. If such an election is made, the OID rules will not apply to the Note. Acquisition discount is the excess of the Note's stated redemption price at maturity over the holder's purchase price for the Note. Acquisition discount will be treated as accruing ratably or, at the election of the U.S. holder, under a constant-yield method based on daily compounding.

As described above, the Notes may have special redemption features. These features may affect the determination of whether a Note has a maturity of not more than one year and thus is a short-term Note. Purchasers of Notes with such features should carefully examine the applicable product and/or pricing supplement(s) and should consult their tax advisors in relation to such features.

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the U.S. Internal Revenue Service ("IRS"). Under the relevant rules, if the debt securities are denominated in a foreign currency, a U.S. holder may be required to treat a foreign currency exchange loss from the debt securities as a reportable transaction if this loss exceeds the relevant threshold in the regulations ($50,000 in a single taxable year, if the U.S. holder is an individual or trust, or higher amounts for other non-individual U.S. holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of $10,000 in the case of a natural person and $50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisors regarding the application of these rules.

Information with Respect to Foreign Financial Assets

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of USD 50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Notes) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("FATCA") imposes substantial information reporting obligations regarding holders of the Notes, as well as a 30% U.S. withholding tax on certain U.S. source payments, including interest (and OID), and will impose a 30% U.S. withholding tax on the gross proceeds from the disposition of property of a type which can produce U.S. source interest paid after December 31, 2018 ("withholdable payments"), if paid to a "foreign financial institution," unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, qualifies for an exception from the requirement to enter into such an agreement or satisfies the terms of an applicable intergovernmental agreement. In addition, France has entered into an intergovernmental agreement with the United States, which could result in the imposition of additional withholding and reporting requirements under French law.

By purchasing the Notes, holders agree to provide an IRS Form W-9 or the applicable IRS Form W-8, and whatever other information may be necessary for us to comply with these reporting obligations. This information may be reported to revenue authorities, including the IRS. If an amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from interest or other payments on the Notes as a result of an investor's failure to comply with these rules, neither the Issuer nor the Guarantor nor any paying agent nor any other person would be required to pay additional amounts with respect to any Notes as a result of the deduction or withholding of such tax. As a result, if payments in respect of the Notes are subject to FATCA withholding, investors may receive less interest or principal than expected. Holders of Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

Information Reporting and Backup Withholding

Information returns may be required to be filed with the IRS relating to payments made to particular U.S. holders of Notes. In addition, such U.S. holders may be subject to a backup withholding tax on such payments if they do not provide their taxpayer identification numbers to the payor in the manner required, fail to certify that they are not subject to backup withholding tax, or otherwise fail to comply with applicable backup withholding tax rules. U.S. holders may also be subject to information reporting and backup withholding tax with respect to the proceeds from a sale, exchange, retirement or other taxable disposition of the Notes. Non-U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against the U.S. holder's United States federal income tax liability and entitle the holder to a refund, provided the required information is timely furnished to the IRS.

French Taxation

The following is intended as a basic summary of certain French tax considerations that may be relevant to holders of Notes issued by Natixis that constitute obligations *under French law, who (i) are non-French residents, (ii) do not hold their Notes in connection with a business or profession conducted in France, as a permanent establishment or a fixed base situated in France, and (iii) do not concurrently hold shares of Natixis. Persons who are in any doubt as to their tax position should consult a professional tax adviser.*

The discussion below is of a general nature and is not intended to be exhaustive. It is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect as of the date of this Base Offering Memorandum. Any changes or interpretations could affect the tax consequences to Noteholders, possibly on a retroactive basis, and alter or modify the statements and conclusions set forth herein. Each prospective Noteholder is urged to consult its own tax advisor as to the particular tax consequences to such holder of the ownership of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

French Withholding Tax Considerations with respect to Interest Income and Other Revenues

Pursuant to Article 125 A III of the French General Tax Code, payments of interest and other revenues made by Natixis as Issuer on the Notes are not subject to withholding tax unless such payments are made outside of France in a non-cooperative State or territory within the meaning of Article 238-0 A of the French General Tax Code (a "Non-Cooperative State"), in which case a 75% withholding tax is applicable subject to exceptions, certain of which are set forth below, and to more favorable provisions of any applicable double tax treaty. The 75% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which may be updated at any time and at least once a year.

Furthermore, according to Article 238 A of the French General Tax Code, interest and other revenues will not be deductible from Natixis' taxable income if they are paid to or accrued by to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other revenues may be recharacterized as constructive dividends pursuant to Articles 109 et seq. of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119

bis 2 of the same Code, at a rate of 30% or 75%, subject to more favorable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French General Tax Code nor, to the extent the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the non-deductibility of the interest and other revenues and the withholding tax set out under Article 119 *bis* 2 that may be levied as a result of such non-deductibility, will apply in respect of a particular issue of Notes provided that Natixis as Issuer can prove that the main purpose and effect of such issue of Notes is not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "Exception").

In addition, under French tax administrative guidelines (*BOI-INT-DG-20-50-20140211, no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320, no. 10*), an issue of Notes benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of Notes, if such Notes are:

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

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

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

As a result, payments of interest or other revenues made by Natixis as Issuer with respect to Global Notes cleared through a clearing system such as DTC, Euroclear Bank S.A. / N.V. and/or Clearstream Banking that is not located in a Non-Cooperative State will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code.

Interest and other revenues on Definitive Notes not cleared through a clearing system such as DTC, Euroclear Bank S.A. / N.V. and/or Clearstream Banking may be subject to withholding tax when paid outside France to a Non-Cooperative State, as described hereinabove. Such Definitive Notes will provide that no additional amounts will be payable in respect of any such withholding.

Taxation on Sale or Other Disposition

Under article 244 *bis* C of the French General Tax Code, a person that is not a resident of France for the purpose of French taxation generally is not subject to any French income tax or capital gains tax on any gain derived from the sale or other disposition of a Note, unless such Note forms part of the business property of a permanent establishment or a fixed base that such person maintains in France.

Stamp Duty and Other Transfer Taxes

Transfers of Notes outside France will not be subject to any stamp duty or other transfer tax imposed in France, provided such transfer is not recorded or referred to in any manner whatsoever in a deed registered in France.

Estate and Gift Tax

France imposes estate and gift tax on securities of a French company that are acquired by inheritance or gift. According to article 750 *ter* of the French General Tax Code, the taxation is triggered without regard to the residence of the transferor. However, France has entered into estate and gift tax treaties with a number of countries pursuant to which, assuming certain conditions are met, residents of the treaty country may be exempted from such tax or obtain a tax credit.

As a result from the combination of the French domestic tax law and the estate and gift tax convention between the United States and France, a transfer of Notes by gift or by reason of the death of a United States holder entitled to benefits under that convention will not be subject to French gift or inheritance tax, so long as, among other conditions, the donor or decedent was not domiciled in France at the time of the transfer and the Notes were not used or held for use in the conduct of a business or profession through a permanent establishment or fixed base in France.

Wealth Tax

French wealth tax (*impôt de solidarité sur la fortune*) generally does not apply to Notes owned by non-French residents according to article 885 L of the French General Tax Code. Subject to certain exceptions, a United States holder that is resident in the United States within the meaning of the income tax convention between the United States and France generally is exempt from French wealth tax.

Prospective purchasers who are individuals are urged to consult with their own tax advisers.

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If we decide to issue Linked Notes or other Notes that would not constitute *obligations* under French law, further tax disclosure will be included in a product or pricing supplement.

ERISA MATTERS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" as defined in section 3(3) of ERISA ("ERISA Plans") that are subject to Title I of ERISA and on persons who are fiduciaries with respect to any ERISA Plan. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to an ERISA Plan who is considering the purchase of the Notes on behalf of the ERISA Plan should determine whether the purchase is permitted under the governing ERISA 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.

In addition to ERISA's general fiduciary standards, section 406 of ERISA and section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), prohibit certain transactions between (a) an ERISA Plan, (b) a plan, account or arrangement that is not subject to ERISA but to which section 4975 of the Code applies, such as an individual retirement account ("IRA"), or (c) an entity whose underlying assets are deemed include the assets of any such ERISA Plans or plans, accounts or arrangements by reason of U.S. Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise (each of (a), (b) and (c), a "Plan") 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). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or the Code. A fiduciary of a Plan (including the owner of an IRA) that engages in a prohibited transaction may also be subject to penalties and liabilities under ERISA and/or the Code.

Each of the Issuers, directly or through its affiliates, may be considered a "party in interest" or a "disqualified person" with respect to many Plans. The purchase of the Notes by a Plan with respect to which an Issuer is a party in interest or a disqualified person may constitute or result in a prohibited transaction under section 406 of ERISA or section 4975 of the Code, unless the Notes are acquired pursuant to and in accordance with an applicable exemption. Certain administrative class exemptions may be available such as 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 90-1 (an exemption for certain transactions involving insurance company pooled separate accounts), PTCE 95-60 (an exemption for certain transactions involving insurance company general accounts) or PTCE 96-23 (an exemption for certain transactions determined by an in-house asset manager). In addition, the statutory exemption under section 408(b)(17) of ERISA and section 4975(d)(20) of the Code may be available, provided that (i) none of the Issuers, the Dealers or any affiliates or employees thereof is a Plan fiduciary that has or exercises any discretionary authority or control with respect to the Plan's assets used to purchase the Notes or renders investment advice with respect to those assets and (ii) the Plan is paying no more than adequate consideration for the Notes. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Notes. Governmental plan (as defined in Section 3(32) of ERISA), non-electing church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA)(each, a "Non-ERISA Arrangement"), while not subject to the provisions of section 406 of ERISA or section 4975 of the Code, may nevertheless be subject to local, state, federal or non-U.S. laws that are substantially similar to the foregoing provisions of ERISA and the Code ("Similar Laws").

By its purchase of any offered Note, the purchaser or transferee thereof (and the person, if any, directing the acquisition of the offered Note by the purchaser or transferee) will be deemed to represent, on each day from and including the date on which the purchaser or transferee acquires the offered Note through and including the date on which the purchaser or transferee disposes of its interest in such offered Note, either that (a) such purchaser or transferee is not a Plan or a Non-ERISA Arrangement subject to Similar Laws or (b) the purchase, holding and disposition of such offered Note will not result in a prohibited transaction under section 406 of ERISA or section 4975 of the Code or in violation of Similar Laws unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.

The above discussion may be modified or supplemented with respect to a particular offering of Notes, including the addition of further ERISA or Similar Law restrictions on purchase and transfer. In addition, if so specified in the applicable supplement, the purchaser or transferee of a Note may be required to deliver to the relevant Issuer and the relevant Agents a letter, in the form available from such Issuer and Agents, containing certain

representations, including those contained in the preceding paragraph. Please consult the applicable supplement for such additional information.

Fiduciaries (including owners of IRAs) or other persons considering purchasing Notes on behalf of or with the assets of any Plan or any governmental, church or non-U.S. plan should consult with their legal counsel concerning the potential consequences of such purchase under ERISA, the Code, or Similar Laws. Each purchaser of a Note will have exclusive responsibility for ensuring that its purchase, holding, and subsequent disposition of the Note does not violate the fiduciary or prohibited transaction rules of ERISA, the Code, or any Similar Laws.

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

PLAN OF DISTRIBUTION

The Notes are being offered from time to time by either of the Issuers through Natixis Securities Americas LLC or a successor entity thereto (the "**Broker-Dealer Affiliate**") or one or more affiliates thereof (the "**Initial Dealer**") and any other dealer(s) for the Notes appointed by the relevant Issuer from time to time (each a Dealer and, with the Initial Dealer, collectively the "**Dealers**"). The Notes may also 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 public offering price. Each Issuer will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes in whole or in part. Each Dealer will have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes through it in whole or in part. The Issuers have reserved the right to sell Notes through one or more other dealers in addition to the Dealers and directly to investors on behalf of the relevant Issuer in those jurisdictions where it is authorized to do so and the Issuers may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase Notes in whole or in part. No commission will be payable by the Issuers to any of the Dealers on account of sales of Notes made through such other dealers or directly by such Issuer.

In addition, the Dealers may offer the Notes they have purchased as principal to other dealers. The Dealers may sell Notes to any dealer at a discount and, unless otherwise specified in the applicable supplement, such discount allowed to any dealer will not be in excess of the discount to be received by such Dealer from the relevant Issuer. Unless otherwise indicated in the applicable supplement, any Note sold to a Dealer as principal will be purchased by such Dealer at the offering price (expressed as a percentage of the principal amount) less a percentage equal to the commission, and may be resold by the Dealer to investors and other purchasers as described above. After the initial public offering of Notes to be resold to investors and other purchasers, the public offering price (in the case of Notes to be resold at a fixed public offering price), the concession and discount may be changed.

Each of the Issuers 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 Notes 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 U.S. Securities Exchange Act of 1934, as amended. 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 Notes 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 Notes to be higher than they would otherwise be in the absence of such transactions. However, there is no assurance that such transactions will be undertaken or, if such transactions are undertaken, as to the direction or magnitude of any effect that such transactions may have on the price of the Notes. Any such transactions may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Notes is made and, if commenced, may be discontinued at any time without notice, but must end no later than the earlier of thirty (30) days after the issue date of the relevant Notes and sixty (60) days after the date of the allotment of the relevant Notes. Any stabilizing or syndicate covering transactions must be conducted in accordance with all applicable laws and rules.

The Issuers have been advised by the Initial Dealer that it may make a market in the Notes for which it acts as Dealer; however, it is not obligated to do so, it may cease doing so at any time and the Issuers cannot provide any assurance that a secondary market for the Notes will develop. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors. After a distribution of a Series of Notes is completed, because of certain regulatory restrictions arising from its affiliation with the Issuers, the Broker-Dealer Affiliate may not be able to make a market in such Series of Notes or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of Notes. Other broker-dealers unaffiliated with the Issuers will not be subject to such prohibitions.

This Base Offering Memorandum and any supplement hereto may be used by affiliates of the Issuers in connection with offers and sales related to secondary market transactions in the Notes. 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.

The 3(a)(2) Notes

The Dealers may propose to offer, from time to time, 3(a)(2) Notes for sale or resale in transactions not requiring registration under the Securities Act pursuant to an exemption from registration under Section 3(a)(2) of the Securities Act.

Each Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act of 1933, as amended, and any discounts and commissions received by it and any profit realized by it on resale of the 3(a)(2) Notes may be deemed to be underwriting discounts and commissions.

Conflicts of Interest

The Broker-Dealer Affiliate, the Initial Dealer for the Notes offered hereby, is a subsidiary of the Bank and affiliate of the Guarantor and the LLC. As a result, a conflict of interest under FINRA Rule 5121 is deemed to exist, and any distribution of the 3(a)(2) Notes offered hereby by the Initial Dealer will be made in compliance with applicable provisions of such rule. The Initial Dealer will not sell Notes into any account over which it has discretionary authority without the prior specific written approval of the account holder.

The Rule 144A Notes and Regulation S Notes

Each Dealer will offer or sell the Rule 144A Notes only within the United States 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 it will not offer or sell Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons (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 the closing date, and it will have sent to each distributer or dealer to which it sells such Regulation S Notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes 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 Notes, an offer or sale of Regulation S Notes within the United States by a dealer (whether or not such dealer is participating in such offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each purchaser of Rule 144A Notes and Regulation S Notes offered hereby in making its purchase will be deemed to have made the acknowledgments, representations and agreements set forth under "Notice to U.S. Investors in the Rule 144A Notes and the Regulation S Notes Regarding Certain U.S. Legal Matters" herein.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a "Member State"), each Dealer has represented and agreed, and each further Dealer appointed under the program will be required to represent and agree, that it has not made and will not make an offer of Notes to the public which are the subject of the offering contemplated by this Base Offering Memorandum in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that

any such prospectus has subsequently been completed by final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

For the purposes of this provision, (i) the expression an "offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and (ii) the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including by Directive 2010/73/EU, to the extent implemented in the Member State) and includes any relevant implementing measure in the Member State.

Notice to Prospective Investors in the United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the program will be required to represent and agree, that:

- in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in France

Each initial purchaser has represented and agreed that:

- this Base Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of securities in France (*offre au public de titres financiers*) within the meaning of Article 411-1 of the *Code monétaire et financier* and, therefore, this Base Offering Memorandum or any other offering materials relating to the Notes have not been and will not be filed with the French *Autorité des marchés financiers* (the "AMF") for prior approval or submitted for clearance to the AMF and, more generally no prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Notes that has been approved by the AMF or by the competent authority of another Member State of the European Economic Area and notified to the AMF and to the relevant Issuer;

- it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France;

- it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, directly or indirectly, this Base Offering Memorandum or any other offering materials relating to the Notes; and

- such offers, sales and distributions have been and will only be made in France to persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), or qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L. 411-2 and D. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder. The direct or indirect distribution to the public in France of any Notes so acquired may be made only in accordance with the provisions of Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder.

Notice to Prospective Investors in Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with an offering.

NOTICE TO U.S. INVESTORS IN THE RULE 144A NOTES AND THE REGULATION S NOTES REGARDING CERTAIN U.S. LEGAL MATTERS

Because of the following restrictions on Rule 144A Notes and Regulation S Notes, purchasers are advised to read the below carefully and consult legal counsel prior to making any offer, resale, pledge or other transfer of any Rule 144A Notes or Regulation S Notes.

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, each investor will be deemed to have made the following acknowledgements, representations to and agreements with the Issuer and the Dealers:

1. The investor acknowledges that:

- the Rule 144A Notes and Regulation S Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

- unless so registered, the Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and, if applicable, in compliance with the conditions for transfer set forth in paragraph (5) below.

2. The investor represents that:

- if it is purchasing the Rule 144A Notes, it is a QIB and is purchasing such Notes for its own account or for the account of another QIB, and it is aware that the Dealers are selling such Rule 144A Notes to it in reliance on Rule 144A; or

- if it is purchasing the Regulation S Notes, it is not a U.S. person (as defined in Regulation S) and is purchasing such Regulation S Notes in an offshore transaction in accordance with Regulation S.

3. The investor acknowledges that neither the Issuer nor the Dealers nor any person representing the Issuer or the Dealers has made any representation to the investor with respect to the Issuer or the offering of the Notes, other than the information contained or incorporated by reference in this Base Offering Memorandum and any applicable Product and/or Pricing Supplement(s) or any other supplement hereto. The investor agrees that it has had access to such financial and other information concerning the Issuer, the Guarantor and the Notes as it has deemed necessary in connection with its decision to purchase Notes, including an opportunity to ask the Issuer questions and request information.

4. It represents that either (a) it is neither (i) an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan, account or arrangement that is not subject to ERISA but to which Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") applies or an entity whose underlying assets are deemed to include the assets of any such plans, accounts or arrangements by reason of Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise (each, a "Plan") nor (ii) an employee benefit plan that is a governmental plan (as defined in Section 3(32) of ERISA), non-electing church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA) (each, a "Non-ERISA Arrangement") subject to local, state, federal or non-U.S. laws that are substantially similar to Section 406 of ERISA or Section 4975 of the Code ("Similar Laws") and it is not purchasing or holding the Notes on behalf of or with "plan assets" of any Plan or Non-ERISA Arrangement subject to Similar Laws or (b) such purchase, holding or disposition of the Notes does not constitute and will not result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code or in a violation of Similar Laws unless an exemption is available with respect to such transactions and all of the conditions of such exemption have been satisfied.

5. If the investor is a purchaser of Rule 144A Notes pursuant to Rule 144A, it acknowledges and agrees that such Notes may be offered, sold or otherwise transferred, if prior to the date: (i) that is at least one year after the later of the last original issue date of such Notes and (ii) on which the Issuer determines that the legend to this effect shall be deemed removed from the corresponding 144A global note, only:

A) to the Issuer or any of its affiliates;

B) pursuant to an effective registration statement under the Securities Act (the Issuer having no obligation to effect any such registration),

C) to a QIB in compliance with Rule 144A;

D) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; or

E) pursuant to any other available exemption from registration requirements of the Securities Act;

provided that as a condition to registration of transfer of such Notes, the Issuer or the fiscal agent may require delivery of any documents or other evidence that the Issuer or the fiscal agent each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

The investor also acknowledges that each global certificate in respect of Rule 144A Notes will contain a legend substantially to the following effect:

THIS LEGEND SHALL BE REMOVED SOLELY AT THE OPTION OF THE ISSUER.

THE NOTES EVIDENCED HEREBY (THE "NOTES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER, OR AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF, THE SECURITIES ACT. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT;

(2) REPRESENTS THAT EITHER (A) IT IS NEITHER (I) AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), A PLAN, ACCOUNT OR ARRANGEMENT THAT IS NOT SUBJECT TO ERISA BUT TO WHICH SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") APPLIES OR AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE THE ASSETS OF ANY SUCH PLANS, ACCOUNTS OR ARRANGEMENTS BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, OR OTHERWISE (EACH, A "PLAN") NOR (II) AN EMPLOYEE BENEFIT PLAN THAT IS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), NON-ELECTING CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) OR NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) (EACH, A "NON-ERISA ARRANGEMENT") SUBJECT TO LOCAL, STATE, FEDERAL OR NON-U.S. LAWS THAT ARE SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAWS") AND IT IS NOT PURCHASING OR HOLDING THE NOTES ON BEHALF OF OR WITH "PLAN ASSETS" OF ANY PLAN OR NON-ERISA ARRANGEMENT OR (B) SUCH PURCHASE, HOLDING OR DISPOSITION OF THE NOTES DOES NOT CONSTITUTE AND WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE OR IN A

VIOLATION OF SIMILAR LAWS UNLESS AN EXEMPTION IS AVAILABLE WITH RESPECT TO SUCH TRANSACTIONS AND ALL OF THE CONDITIONS OF SUCH EXEMPTION HAVE BEEN SATISFIED; AND

(3) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT:

A) TO THE ISSUER OR ANY AFFILIATE THEREOF;

B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT (THE ISSUER HAVING NO OBLIGATION TO EFFECT ANY SUCH REGISTRATION);

C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT;

D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR 904 UNDER REGULATION S UNDER THE SECURITIES ACT; OR

E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH THE FOREGOING, THE ISSUER AND THE FISCAL AGENT RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

6. The investor acknowledges that the Issuer, the Dealers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. The investor agrees that if any of the acknowledgments, representations or agreements it is deemed to have made by its purchase of Notes is no longer accurate, it will promptly notify the Issuer and the Dealers. If the investor is purchasing any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the above acknowledgments, representations and agreements on behalf of each account.

LEGAL MATTERS

Cleary Gottlieb Steen & Hamilton LLP, New York, New York, and Paris, France, have acted as U.S. and French legal counsel to the Issuers and the Guarantor in connection with the issuance of the Notes.

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