



**Carmila**  
**€1,500,000,000**  
**Euro Medium Term Note Programme**

*Under the Euro Medium Term Note Programme (the “Programme”) described in this base prospectus (the “Base Prospectus”), Carmila (“Carmila” or the “Issuer”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “Notes”). The aggregate nominal amount of Notes outstanding will not at any time exceed €1,500,000,000 (or the equivalent in other currencies).*

*Application has been made to the Autorité des Marchés Financiers (the “AMF”) for approval of this Base Prospectus in its capacity as competent authority pursuant to Article 212-2 of its Règlement Général which implements Directive 2003/71/EC (as amended or superseded, the “Prospectus Directive”). This Base Prospectus received the visa no. 19-364 on 17 July 2019 from the AMF. Application may be made (i) to the regulated market of Euronext Paris (“Euronext Paris”) during the period of 12 months from the date of approval of this Base Prospectus for Notes issued under the Programme to be admitted to trading on Euronext Paris and/or (ii) to the listing authority of any other Member State of the European Economic Area for Notes issued under the Programme to be admitted to trading on a Regulated Market (as defined below) in such Member State. Euronext Paris is a regulated market (a “Regulated Market”) for the purposes of Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”).*

*The price and the amount of the relevant Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) (as defined below) based on the prevailing market conditions at the time of the issue of such Notes and will be set out in the relevant Final Terms (a form of which is contained herein). Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.*

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

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

*Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (au porteur) inscribed as from the issue date in the books of Euroclear France (“Euroclear France”) (acting as central depository) which shall credit the accounts of Account Holders (as defined in “Terms and Conditions of the Notes – Form, Denomination and Title”) including Euroclear Bank SA/NV (“Euroclear”) and the depository bank for Clearstream Banking, S.A. (“Clearstream, Luxembourg”) or in registered dematerialised form (au nominatif) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (au nominatif pur), in which case they will be inscribed either with the Issuer or with the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (au nominatif administré) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.*

*Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “Temporary Global Certificate”) will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for Definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached, on or after a date expected to be on or about the fortieth calendar day after the issue date of the Notes (subject to postponement as described in “Temporary Global Certificates issued in respect of Materialised Notes” below) upon certification as to non U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository on behalf of Euroclear and/or Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s).*

*The minimum denomination of the Notes shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).*

*As at the date of this Base Prospectus, the Issuer’s long term debt is rated “BBB” with a positive outlook by S&P Global Ratings Europe Limited (“S&P”). Notes issued under the Programme may, or may not, be rated. The rating (if any) may be specified in the relevant Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) on credit rating agencies (“CRA Regulation”). If such credit rating agency is registered under the CRA Regulation, the Final Terms shall specify that such credit rating agency is included in the list of credit rating agencies published by the European Securities and Market Authority on its website in accordance with the CRA Regulation. 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.*

*Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes.*

*Arranger and Dealer for the Programme*

*BNP Paribas*

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to the Issuer or the Issuer and its consolidated subsidiaries taken as a whole (the "**Group**") and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

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

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933 as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons as defined in the U.S. External Revenue Code of 1986, as amended, and regulations thereunder. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "Subscription and Sale". This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.

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

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

**PRIPs / IMPORTANT – EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU of the European Parliament and of the Council on insurance distribution of 20 January 2016, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of any Notes. The Arranger and each Dealer accordingly disclaims all and any liability (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements or information supplied in connection with the Programme (including any information incorporated by reference) are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes

should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

## TABLE OF CONTENTS

RISK FACTORS .....	6
DOCUMENTS INCORPORATED BY REFERENCE.....	15
SUPPLEMENT TO THE BASE PROSPECTUS.....	19
GENERAL DESCRIPTION OF THE PROGRAMME .....	20
TERMS AND CONDITIONS OF THE NOTES .....	25
TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED NOTES .....	61
USE OF PROCEEDS.....	62
DESCRIPTION OF THE ISSUER .....	63
RECENT DEVELOPMENTS.....	64
FORM OF FINAL TERMS.....	67
TAXATION.....	79
SUBSCRIPTION AND SALE .....	81
GENERAL INFORMATION .....	85
PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS .....	87

## RISK FACTORS

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

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below and in the documents incorporated by reference represent the principal risks inherent in investing in Notes issued under the Programme. Prospective investors should read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision. The inability of the Issuer to pay interest, principal, or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

The risks that may affect the Issuer's ability to fulfil its obligations issued under the Programme, are set out in particular on pages 136-145 of the *Document de Référence* of the Issuer for the year ended 31 December 2018 incorporated by reference into this Base Prospectus, as set out in the section "Documents Incorporated by Reference" on pages 15-18 of this Base Prospectus and include the following:

#### **- Risks related to the Group's business sector**

- The Group is exposed to risks relating to an adverse change in certain macro economic factors in the countries in which it operates.
- A downturn in the commercial real estate market could have an adverse impact on the valuation of the Group's assets and its rental income.
- The Group's property portfolio is concentrated in France, Spain and Italy.
- The Group is exposed to interest rate risks and in particular interest rate increases.
- The Group operates in a highly competitive environment.
- The Group may not be able to anticipate, identify or follow the rate of change in the commercial real estate market or invest in the services and technologies that would be commercially successful.

#### **- Risks related to the Group's activities**

- The Group's investment policy and the success of its development strategy rely on its partnership with the Carrefour group.
- The level of footfall in the Group's shopping centres relies on the presence and appeal of the Carrefour group's hypermarkets.
- The Group is exposed to a drop in footfall in its shopping centres.
- The Group is exposed to risks related to renovation, restructuring and expansion projects at its shopping centres.
- The Group is exposed to the risks associated with acquiring shopping centres.
- The Group is exposed to a fall in the occupancy rate of its shopping centres.
- Appraisals of the Group's portfolio may not reflect the actual amount that the Group would receive if it sold the properties, and the valuation of its assets is likely to vary from one period to the next.
- The Group might be unable to maintain its relationships with large retailers or establish new relationships with other major brands on satisfactory terms.
- The Group's marketing and leasing initiatives could be unsuccessful or unprofitable.
- The Group is also exposed to the risk of its tenants' insolvency.
- The Carmila Group relies on the Carrefour group for necessary support functions, which are provided under agreements with Carrefour group entities.
- The Group is exposed to risks relating to information systems.
- The Group might be unable to retain the members of its management team as well as to attract and retain qualified employees.

#### **- Risks relating to the Group's financial condition and its financing policy**

- The Group's indebtedness could affect its ability to pay its debts and conduct its business.
- The Carmila Group is subject to restrictive covenants under its financing agreements, which could impair its ability to conduct its business.
- The Group is subject to risks relating to a downgrade in its debt ratings.
- The Group's ability to raise funds could be limited.

**- Regulatory, legal and tax risks**

- The Group's business is subject to numerous regulations that could change in the future.
- The Group is subject to regulations on commercial leases in conducting its business.
- The Group is subject to regulations on urban planning, safety and shopping centre operation.
- The Group is subject to environmental and public health regulations and is subject to related liability risk.
- The Group is subject to regulations relating to the security and use of personal data.
- The Group could be unable to protect the intellectual property necessary to conduct its business.
- The Group is exposed to risks in France relating to the restrictions under the tax regime applicable to Listed Real Estate Investment Companies (*Sociétés d'Investissement Immobilier Cotées*, or "SIIC"), to a potential change in the rules under that regime, or to the loss of its status under the regime.

**- Market risks**

- Interest rate risk.
- Liquidity risk.

**Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

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

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

*A Noteholder's actual yield on the Notes may be reduced from the stated yield by several costs*

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

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

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

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

*An active trading market for the Notes may not develop.*

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer and any of its subsidiaries are entitled to buy the Notes, as described in Condition 6(i), and the Issuer may issue further Notes, as described in Condition 13. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

*The Notes may be redeemed prior to maturity for taxation reasons.*

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes or Coupons due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or a political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

*Any early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield received by Noteholders to be considerably less than anticipated.*

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer including a Redemption at the Option of the Issuer as described in Condition 6(d), a Residual Maturity Call Option by the Issuer as described in Condition 6(e), a Squeeze-out Call Option as described in Condition 6(f) or a Make-Whole Redemption by the Issuer as described in Condition 6(g). As a consequence, the yields received upon redemption may be lower than expected, and the redemption price of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. In such a case, part of the capital invested by the Noteholder may be lost, so that the Noteholder would not receive the total amount of the capital invested.

In addition, if a Residual Maturity Call Option is specified as applicable in the Final Terms, and if the Issuer decides to redeem the Notes pursuant to the Optional Make-whole Redemption before the Residual Maturity Exercise Date (as specified in the relevant Final Terms), the calculation of the Optional Make-whole Redemption Amount in respect of the Optional Make-whole Redemption will be calculated by reference to the relevant Residual Maturity Exercise Date rather than the relevant Maturity Date and, for the avoidance of doubt, the last remaining scheduled payment of interest shall be deemed to fall on the Residual Maturity Exercise Date (rather than the relevant Maturity Date) which would result in a reduced rate of return on the Notes than a Noteholder would have otherwise received pursuant to the Optional Make-whole Redemption Amount calculated pursuant to the Terms and Conditions of the Notes for Series of Notes where a Residual Maturity Call Option has not been specified.

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.

The existence of these early redemption options in a particular Series of Notes could limit the market value of such Notes.

In particular, with respect to the Squeeze-out Call Option (Condition 6(f)), there is no obligation on the Issuer to inform investors if and when the Minimum Percentage (as defined in the relevant Final Terms) has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Squeeze-out Call Option the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

*A partial redemption may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised*

Depending on the number of Notes of the same Series in respect of which a partial redemption is made, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

*Exercise of Change of Control Put Option, Redemption at the Option of Noteholders or notice of event of default in respect of certain Notes may affect the liquidity of the Notes in respect of which such put option is not exercised or a notice of event of default is not given*

Depending on the number of Notes in respect of which the put option pursuant to a Change of Control (as more fully described in Condition 6(i)) or pursuant to the Redemption at the Option of Noteholders (as more fully described in Condition 6(h)) is exercised or in respect of which notice of an event of default is given (as provided in Condition 10), any trading market in respect of those Notes in respect of which such Redemption at the Option of Noteholders or Change of Control Put Option is not exercised or in respect of which notice of an event of default is not given may become illiquid.

#### *Interest Rate Risks on Fixed Rate Notes*

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid in the Fixed Rate Notes, this may adversely affect the value of the Fixed Rate 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 of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

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

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

#### *Fixed/Floating Rate Notes*

The Fixed/Floating Rate Notes bear interest at a rate that, automatically or upon decision of the Issuer at a date specified in the Final Terms, can be converted from a fixed rate to a floating rate or from a floating rate to a fixed rate. The (automatic or optional) conversion may affect the secondary market and the market value of the Notes as it can lead to a reduction of the total borrowing costs. If a fixed rate is converted into a floating rate, the rate spread between the fixed rate and the floating rate may be less in favour than the rate spreads on comparable Floating Rate Notes that have the same reference rate. In addition, the new floating rate may be, at any time, lower than the interest rates of other Notes. If a floating rate is converted into a fixed rate, the fixed rate may be lower than the rates applicable to these Notes.

*Zero Coupon Notes are subject to higher price fluctuations than non-discounted bonds.*

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

*The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks".*

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark".

Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**") was published in the Official Journal of the EU on 29 June 2016 and has been in force since 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The scope of the Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices, applies to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue or via a systematic internaliser, financial contracts and investment funds.

The Benchmarks Regulation could have a material impact on any Notes linked to a rate or index deemed to be a "benchmark", including in any of the following circumstances:

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

Either of the above could potentially lead to the Notes being de-listed, adjusted or redeemed early or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Notes or have other adverse effects or unforeseen consequences.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to such "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms, investigations and licensing issues in making any investment decision with respect to the Notes linked to a "benchmark".

*Future discontinuance of LIBOR and other benchmarks may adversely affect the value of Notes which reference LIBOR or other benchmarks*

On 27 July 2017, the Chief Executive of the UK Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit rates for the calculation of LIBOR after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions of outstanding Notes of any Series or result in other consequences, in respect of any Notes linked to such benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR). Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Other interbank offered rates such as EURIBOR (the European Interbank Offered Rate) (together with LIBOR, the "IBORs") suffer from similar weaknesses to LIBOR and as a result may be discontinued or be subject to changes in their administration.

Changes to the administration of an IBOR or the emergence of alternatives to an IBOR, may cause such IBOR to perform differently than in the past, or there could be other consequences which cannot be predicted. The discontinuation of an IBOR or changes to its administration could require changes to the way in which the Rate of Interest is calculated in respect of any Notes referencing or linked to such IBOR. The development of alternatives to an IBOR may result in Notes linked to or referencing such IBOR performing differently than would otherwise have been the case if the alternatives to such IBOR had not developed. Any such consequence could have a material adverse effect on the value of, and return on, any Notes linked to or referencing such IBOR.

Whilst alternatives to certain IBORs for use in the bond market (including SONIA (for Sterling LIBOR) and rates that may be derived from SONIA) are being developed, in the absence of any legislative measures, outstanding notes linked to or referencing an IBOR will only transition away from such IBOR in accordance with their particular terms and conditions.

*The occurrence of a Benchmark Event could have a material adverse effect on the value of and return on any Notes linked to or referencing such "benchmarks"*

Where Screen Rate Determination is specified in the relevant Final Terms as being the manner in which the Rate of Interest is to be determined, the Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if an inter-bank offered rate (such as LIBOR or EURIBOR) or other relevant reference rate, and/or any page on which such benchmark may be published, becomes unavailable, or if the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the applicable Final Terms) are no longer permitted lawfully to calculate interest on any Notes by reference to such benchmark under the Benchmarks Regulation or otherwise. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Terms and Conditions of the Notes), with or without the application of an adjustment spread (which, if applied, could be positive or negative, and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the successor or replacement benchmark, all as determined by the Independent Adviser and without the consent of the Noteholders.

In certain circumstances, the ultimate fallback for a particular Interest Period, including where no Successor Rate or Alternative Rate (as applicable) is determined, may be that the rate of interest for such Interest Period be based on the rate which applied for the immediately preceding Interest Period. This ultimate fallback may result in the effective application of fixed rate Notes linked to or referencing a "benchmark". Subject to the right for the Issuer to re-apply, at any time, the provisions regarding the determination of a Successor Rate or Alternative Rate, the effective conversion into fixed rate notes may affect the secondary market and the market value of the Notes as the fixed rate may be lower than the rates usually applicable to such Notes. In the event of the application of a fixed rate of interest, the Noteholders would not be able to benefit from any potentially favourable prevailing market conditions.

In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Notes linked to or referencing a "benchmark" or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes linked to or referencing a "benchmark". Investors should note that, the Independent Adviser will have discretion to adjust the relevant Successor Rate or Alternative Rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Notes linked to or referencing such "benchmarks".

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

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

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

#### *Legality of Purchase*

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### *Regulatory Restrictions*

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities. Investors should review and consider such restrictions prior to investing in the Notes.

#### *Modification of the Terms and Conditions of the Notes*

Subject to the provisions of the Final Terms, the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *Masse*, as defined in Condition 11. The Terms and Conditions of the Notes contain provisions for Noteholders to consider matters affecting their interest generally to be adopted either through a general meeting (the "**General Meetings**") or by consent following a written consultation (the "**Written Decisions**"). The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote (or were not represented) at the relevant General Meeting, Noteholders who voted in a manner contrary to the majority or Noteholders who did not consent to a Written Decision. Noteholders may be asked to decide on any proposal relating to the modification of the Terms and Conditions by way of Collective Decisions, as more fully described in Condition 11.

#### *Change of law*

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

#### *Credit risk*

An investment in the Notes involves taking credit risk on the Issuer. If the financial situation of the Issuer deteriorates, it may not be able to fulfill all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

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

One or more independent rating agencies may assign ratings to the Notes and/or the Issuer. The ratings may not reflect the potential risk related to the structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

#### *Potential Conflicts of Interest*

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

#### *Taxation*

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

#### *The proposed financial transactions tax ("FTT")*

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

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should however be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the 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.

However, the FTT proposal remains subject to negotiation between Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or Participating Member States may decide to withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

#### *French Insolvency Law*

Subject to the provisions of the relevant Final Terms, the Noteholders, in respect of all Tranches in any Series, will be grouped automatically for the defence of their common interests in a *Masse*, as defined in Condition 11. However, under French insolvency law, notwithstanding any clause to the contrary, holders of debt securities (*obligations*) are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a preservation procedure (*procédure de sauvegarde*), an accelerated preservation procedure (*procédure de sauvegarde accélérée*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly will comprise all holders of debt securities (*obligations*) issued by the Issuer (including the Notes), whether or not under the Programme and regardless of their governing law. The Assembly will deliberate on the draft preservation plan (*projet de plan de sauvegarde*), draft accelerated preservation plan (*projet de plan de sauvegarde accélérée*), draft

accelerated financial preservation plan (*projet de plan de sauvegarde financière accélérée*) or draft judicial reorganisation plan (*projet de plan de redressement*) prepared in relation to the Issuer and may further agree to:

- increase the liabilities (*charges*) of such holders of debt securities (including the Noteholders) by rescheduling and/or writing-off debts;
- decide to convert such debt securities (including the Notes) into shares or securities that give or may give rights to share capital; and/or
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the amount of debt securities held by the holders expressing a vote). No quorum is required to hold the Assembly. Holders whose rights are not modified by the proposed plan do not participate in the vote. For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been filed with the AMF for the purpose of the Prospectus Directive and the relevant implementing measures in France, and shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

- (a) the 2018 registration document of the Issuer in the French language filed with the AMF under no. D.19-0372 on 23 April 2019 (the "**2018 Registration Document**") – except for the statement by the person responsible for the 2018 Registration Document ("*Attestation du Responsable du Document de Référence et du Rapport financier annuel*") on page 279 of such registration document, including the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2018 and the statutory auditors' report in relation thereto; and
- (b) the 2017 registration document of the Issuer in the French language filed with the AMF under no. D.18-0358 on 20 April 2018 (the "**2017 Registration Document**") – except for the statement by the person responsible for the 2017 Registration Document ("*Attestation du Responsable du Document de Référence et du Rapport financier annuel*") on page 239 of such registration document, including the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2017 and the statutory auditors' report in relation thereto,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

For as long as any Notes are outstanding, this Base Prospectus, any supplement to the Base Prospectus and all documents incorporated by reference into this Base Prospectus may be obtained, free of charge, (i) at the office of the Fiscal Agent and the Paying Agent set out at the end of this Base Prospectus during normal business hours, (ii) at the registered office of the Issuer during normal business hours, and (iii) on the website of the Issuer ([www.carmila.com](http://www.carmila.com)). Provision of such documents does not constitute a representation that such documents have not been modified or superseded in whole or in part as specified above. Written or oral requests for such documents should be directed to the principal office of the Fiscal Agent or to the Issuer at its registered office set out at the end of this Base Prospectus. The Base Prospectus (including any documents incorporated by reference) and any supplement to the Base Prospectus will also be available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).

Any information not listed in the cross reference list below but included in the documents incorporated by reference is considered as additional information and is not required by the schedules of Commission Regulation (EC) n° 809/2004 of 29 April 2004, as amended.

The information incorporated by reference above is available as follows:

<b>Information Incorporated by Reference</b>		<i>Document</i>
<b>Regulation – Parts of Annex IX in respect of Carmila</b>		
<b>Risk factors</b>	9.3.1 Risk factors that may affect the Issuer's ability to fulfil its obligations under the securities	Pages 136-145 of the 2018 Registration Document

<b>Information about the Issuer</b>	<p>9.4.1.1 The legal and commercial name of the Issuer</p> <p>9.4.1.2 The place of registration of the Issuer and its registration number</p> <p>9.4.1.3 The date of incorporation and the length of life of the Issuer</p> <p>9.4.1.4 The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation and the address and telephone number of its registered office</p>	<p>Page 276 of the 2018 Registration Document</p>
<b>Business Overview</b>	<p>9.5.1.1 A description of the Issuer's principal activities stating the main categories of products sold and/or services performed</p> <p>9.5.1.2 The basis for any statements made by the Issuer regarding its competitive position</p>	<p>Pages 42-75 and 128 of the 2018 Registration Document</p> <p>Page 42-48 of the 2018 Registration Document</p>
<b>Organisational Structure</b>	<p>9.6.1 If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it</p>	<p>Pages 128-135 of the 2018 Registration Document</p>
<b>Administrative, Management and Supervisory Bodies</b>	<p>9.9.1 Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to the Issuer:</p> <p>(a) members of the administrative, management or supervisory bodies; and</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital</p>	<p>Pages 154-166 of the 2018 Registration Document</p>
<b>Major Shareholders</b>	<p>9.10.1 To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled by and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused</p> <p>9.10.2 Description of any arrangements known to the Issuer, the operation of which may at a subsequent date result in a change in control of the issuer</p>	<p>Page 194 of the 2018 Registration Document</p> <p>Page 198 of the 2018 Registration Document</p>
	<p>9.11.1 <b>Historical Financial Information</b></p>	

<p><b>Financial information concerning the issuer's assets and liabilities, financial position and profits and losses</b></p>	<p>Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year. Such financial information must be prepared according to Regulation (EC) No 1606/2002, or if not applicable to a Member State's national accounting standards for issuers from the Community.</p> <p>For third country issuers, such financial information must be prepared according to the international accounting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 or to a third country's national accounting standards equivalent to these standards. If such financial information is not equivalent to these standards, it must be presented in the form of restated financial statements.</p> <p>The most recent year's historical financial information must be presented and prepared in a form consistent with that which will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements.</p> <p>If the issuer has been operating in its current sphere of economic activity for less than one year, the audited historical financial information covering that period must be prepared in accordance with the standards applicable to annual financial statements under the Regulation (EC) No 1606/2002, or if not applicable to a Member State's national accounting standards where the issuer is an issuer from the Community. For third country issuers, the historical financial information must be prepared according to the international accounting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 or to a third country's national accounting standards equivalent to these standards. This historical financial information must be audited.</p> <p>If the audited financial information is prepared according to national accounting standards, the financial information required under this heading must include at least:</p>	<p>Pages 202-248 of the 2018 Registration Document and 164-208 of the 2017 Registration Document</p>
(a) balance sheet	<p>Page 203 of the 2018 Registration Document Page 165 of the 2017 Registration Document</p>	
(b) income statement	<p>Page 202 of the 2018 Registration Document Page 164 of the 2017 Registration Document</p>	
(c) accounting policies and explanatory notes	<p>Pages 207-245 of the 2018 Registration Document Pages 169-205 of the 2017 Registration Document</p>	

	9.11.2 If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document	Pages 202-248 of the 2018 Registration Document Pages 164-208 of the 2017 Registration Document
	9.11.3.1 A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	Pages 246-248 of the 2018 Registration Document Pages 206-208 of the 2017 Registration Document
	9.11.4.1 The last year audited financial information may not be older than 18 months from the date of the registration document	Pages 246-248 of the 2018 Registration Document

## **SUPPLEMENT TO THE BASE PROSPECTUS**

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 16 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus, which in respect of any subsequent issue of Notes to be admitted to trading on Euronext Paris or on any other Regulated Market, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the Prospectus Directive.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following overview is qualified in its entirety by the remainder of this Base Prospectus.*

<b>Issuer:</b>	Carmila
<b>Description:</b>	Euro Medium Term Note Programme
<b>Size:</b>	Up to €1,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. The amount of the Programme may be increased in accordance with the terms of the Dealer Agreement.
<b>Arranger and Dealer:</b>	BNP Paribas
<b>Dealers:</b>	BNP Paribas

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

<b>Fiscal Agent, Principal Paying Agent and Calculation Agent:</b>	Société Générale Securities Services
--	--------------------------------------

**Method of Issue:** The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the "Final Terms").

**Issue Price:** Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

**Form of Notes:** Notes may be issued in either dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*) form. No physical documents of title will be issued in respect of Dematerialised Notes. See "Terms and Conditions of the Notes - Form, Denomination and Title".

Materialised Notes will be in bearer materialised form only. A temporary Global Certificate will be issued initially in respect

of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France. See "Terms and Conditions of the Notes - Form, Denomination and Title" below.

**Clearing Systems:**

Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

**Initial Delivery of Notes:**

No later than one Paris business day before the issue date of each Tranche of Dematerialised Notes, the *lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system *provided that* the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.

**Currencies:**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.

**Maturities:**

Subject to compliance with all relevant laws, regulations and directives, any maturity as may be specified in the Final Terms.

**Specified Denomination:**

Notes will be in such denominations as may be specified in the relevant Final Terms save that (i) the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).

**Fixed Rate Notes:**

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

**Floating Rate Notes:**

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

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or the FBF Definitions (as published by the *Fédération Bancaire Française*), each as amended, supplemented and updated as at the Issue Date of the first Tranche of the Notes; or
- (ii) by reference to LIBOR, EURIBOR or EUR CMS or by reference to a Successor Rate or Alternative Rate, as may be determined by the Independent Adviser if a Benchmark Event occurs.

Interest Periods will be specified in the relevant Final Terms. The Minimum Rate of Interest shall not be less than zero.

<b>Fixed/Floating Rate Notes:</b>	Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.
<b>Zero Coupon Notes:</b>	Zero Coupon Notes (as defined in “Terms and Conditions of the Notes”) may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Interest Periods and Interest Rates:</b>	The length of the Interest Periods for the Notes and the applicable Rate of Interest or its method of calculation may differ from time to time or be constant for any Series. Notes may have a Maximum Rate of Interest, a Minimum Rate of Interest rate, or both. The use of Interest Accrual Periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
<b>Redemption:</b>	The relevant Final Terms will specify the Redemption Amounts payable, determined in accordance with the Conditions. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
<b>Optional Redemption:</b>	The Final Terms issued in respect of each Series of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so the terms applicable to such redemption.
<b>Residual Maturity Call Option by the Issuer:</b>	If "Residual Maturity Call Option" is specified as being applicable in the relevant Final Terms in respect of any Series of Notes, then the Issuer will have the option to redeem all, but not some only, of the Notes from and including the Residual Maturity Exercise Date (as defined in the relevant Final Terms), which shall be 3 months prior to the Maturity Date specified in the relevant Final Terms, to but excluding the Maturity Date, at the Early Redemption Amount together with interest accrued up to (but excluding) the date fixed for redemption.
<b>Squeeze-out Call Option:</b>	If “Squeeze-out Call Option” is specified as being applicable in the relevant Final Terms in respect of any Series of Notes, then the Issuer will have the option to redeem at the Early Redemption Amount, together with any accrued and unpaid interest up to (but excluding) the date fixed for redemption, all but not some only of that Series of Notes at any time, provided that redemptions (except for a Make-Whole Redemption by the Issuer) or repurchases and cancellations of such Series shall have been previously effected in respect of at least the Minimum Percentage (as specified in the relevant Final Terms) of such Series of Notes.

**Optional Make-Whole Redemption by the Issuer:**

If "Optional Make-Whole Redemption by the Issuer" is specified as being applicable in the relevant Final Terms in respect of any Series of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date at their relevant Optional Make-Whole Redemption Amount, together with any accrued and unpaid interest up to (but excluding) the date fixed for redemption.

**Change of Control Put Option**

If "Change of Control Put Option" is specified as being applicable in the relevant Final Terms, and if any time while any Note remains outstanding (a) a Change of Control (as defined in the Conditions) occurs and (b) within the Change of Control Period (as defined in the Conditions), (i) (if at the time of the Change of Control the Issuer and/or the Notes outstanding have a rating from a Rating Agency (as defined in the Conditions)) a Rating Downgrade (as defined in the Conditions) occurs or has occurred as a result of such Change of Control or (ii) (if at the time of the Change of Control the Issuer and/or the Notes outstanding do not have a rating from a Rating Agency) a Negative Rating Event in respect of that Change of Control occurs each Noteholder will have the option (unless, prior to the giving of the Put Event Notice (as defined in the Conditions), the Issuer gives notice of its intention to redeem the Notes under Condition 6) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of its Notes, on the Change of Control Redemption Date (as defined in the Conditions).

**Redemption by Instalments:**

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

**Early Redemption:**

Except as provided in "Optional Redemption", "Residual Maturity Call Option", "Optional Make-Whole Redemption by the Issuer" and "Squeeze-out Call Option" above, the Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons or, if applicable, in instalments. See "Terms and Conditions of the Notes - Redemption, Purchase and Options".

**Status of Notes:**

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, will constitute direct, general, unconditional, unsubordinated and (subject to the Negative Pledge) unsecured obligations of the Issuer, all as described in "Terms and Conditions of the Notes – Status and Negative Pledge".

**Negative Pledge:**

Noteholders will have the benefit of a negative pledge described in "Terms and Conditions of the Notes – Status and Negative Pledge".

**Restrictions on Secured Borrowings:**

So long as the Notes remain outstanding, the Noteholders will have the benefit of a restriction on secured borrowings described in "Terms and Conditions of the Notes – Restriction on Secured Borrowings".

**Cross Default:**

Noteholders will have the benefit of a cross-default described in "Terms and Conditions of the Notes – Events of Default".

**Ratings:**

The Issuer has been designated a long-term credit rating of “BBB (positive outlook)” by S&P (“S&P”).

Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the relevant Final Terms and will not necessarily be the same as the ratings assigned to the Programme.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

**Withholding Tax:**

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

If pursuant to French laws or regulations, payments of principal, interest or other revenues in respect of any Note or Coupon become subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the Noteholders or, as the case may be, the Couponholders will receive after such withholding or deduction the full amount then due and payable thereon in the absence of such deduction or withholding, subject to certain exceptions.

**Governing Law:**

French law.

**Listing and Admission to Trading:**

Application has been made for the Notes issued under the Programme to be admitted to trading on Euronext Paris. The Notes may also be listed and admitted to trading on such other or further stock exchange(s) as may be agreed between the Issuer, and the relevant Dealer in relation to each Series. The Final Terms relating to each Tranche of Notes will state whether or not and, if so, on which stock exchange(s) the Notes are to be listed and admitted to trading.

**Selling Restrictions:**

The United States, the European Economic Area, the United Kingdom, France, the Republic of Italy and Japan. See “Subscription and Sale”.

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

## TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms (as defined below), shall be applicable to the Notes.

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

The Notes are issued by Carmila (the "**Issuer**") in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest, issue price and nominal amount of the Tranche), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the Final Terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an agency agreement dated 17 July 2019 between the Issuer and Société Générale Securities Services as fiscal agent and the other agents named in it (the "**Agency Agreement**"). The fiscal agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent(s)**".

For the purpose of these Conditions, "**Regulated Market**" means any regulated market situated in a Member State of the European Economic Area ("**EEA**") as defined in the Directive 2014/65/EU on markets in financial instruments, as amended.

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

In these Conditions, unless otherwise specified or the context otherwise requires, references below to "**day**" or "**days**" mean a calendar day.

### 1. Form, Denomination and Title

- (a) **Form:** Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as specified in the relevant Final Terms.
  - (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 of the French *Code monétaire et financier* (the "**Code**") by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the Code) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France ("Euroclear France", acting as central depository) which shall credit the accounts of Account Holders (as defined below), or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**Registration Agent**").

Unless this option is expressly excluded in the relevant Final Terms in accordance with the provisions of Article L.228-2 of the French *Code de commerce*, the Issuer may at any time request from the central depository the following identification information of the holders of Dematerialised Notes in bearer form (*au porteur*): the name or the company name, nationality, date of birth or year of incorporation and

mail address or, as the case may be, e-mail address as well as the quantity of Notes held by each of them and any restrictions applicable to the Notes.

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

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

In these Conditions, if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons. If Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable. For the avoidance of doubt, references to Coupons, Couponholders, Talons and holders of Talons are not applicable to Dematerialised Notes.

In accordance with Articles L.211-3 *et seq.* and R. 211-1 of the Code, securities (such as Notes) which are governed by French law and are in materialised form must be issued outside the French territory.

- (b) **Denomination:** Notes shall be issued in the specified denomination set out in the relevant Final Terms (the "**Specified Denomination**") save that the minimum denomination of each Note admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such other currency at the issue date or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (as defined below)).

Unless permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Dematerialised Notes shall be issued in one Specified Denomination only.

- (c) **Title:**
  - (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
  - (ii) Title to Materialised Notes in definitive form having, where appropriate, Coupons and/or a Talon attached thereto on issue ("**Definitive Materialised Notes**"), shall pass by delivery.
  - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

- (iv) In these Conditions, "**Noteholder**", "**holder of Notes**" or, as the case may be, "**holder of any Note**" means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2. Conversion and Exchanges of Notes

### (a) Dematerialised Notes

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

### (b) Materialised Notes

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

## 3. Status and Negative Pledge

### (a) Status of the Notes

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, general, unconditional, unsubordinated and (subject to Condition 3(b)) unsecured obligations of the Issuer (*engagements chirographaires*), and rank and will at all times rank *pari passu* without any preference amongst themselves and with all other, present or future, unsecured and unsubordinated obligations (subject to exceptions imposed by French law) of the Issuer.

### (b) Negative Pledge

So long as any of the Notes or Coupons relating to them remain outstanding (as defined below), the Issuer undertakes that it will, and ensures that its Material Subsidiaries (as defined below) will, not create or permit to subsist any mortgage, lien, charge, pledge or other form of encumbrance or security interest that would constitute a *sûreté réelle* or its equivalent under any applicable legislation upon the whole or any part of their respective assets or revenues, present or future, to secure any Bond Indebtedness (as defined below) incurred by the Issuer or any of its Material Subsidiaries or any guarantee or indemnity assumed or granted by the Issuer or any of its Material Subsidiaries in respect of any Bond Indebtedness, unless at the same time or prior thereto, the Issuer's obligations under the Notes and any Coupons are equally and rateably secured therewith or have the benefit of such other security as shall be approved by a Collective Decision (as defined in Condition 11).

For the purpose of these Conditions:

**"Bond Indebtedness"** means any present or future indebtedness for borrowed money in the form of, or represented by bonds (*obligations*), notes or other securities (including *titres de créances négociables*) which are for the time being, or are capable of being, quoted, admitted to trading or ordinarily dealt in any stock exchange, over-the-counter market or other securities market.

**"Carmila Holding Italia"** means Carmila Holding Italia S.r.l., an Italian company with its registered office at Via Caldera 21, 20153 Milan, Italy and registered in the Registro delle Imprese di Milano under number 08609660967;

**"Group"** means the Issuer and its consolidated subsidiaries taken as a whole;

**"Material Subsidiary"** means, at any time:

- (a) Carmila Holding Italia, for so long as it directly or indirectly owns Properties, the Value of the Property of which represents 5 per cent. or more of the Total Value of the Properties; or
- (b) any Subsidiary of the Issuer which directly or indirectly owns Properties, the Value of the Property of which represents 10 per cent. or more of the Total Value of the Properties; or
- (c) any Subsidiary or Subsidiaries of the Issuer as necessary to ensure that, when aggregated with any Subsidiary or Subsidiaries of the Issuer designated as a Material Subsidiary under paragraphs (a) and (b) above, the Value of the Properties of all Material Subsidiaries so designated represents at least 80 per cent. of the Total Value of the Properties.

Compliance with the conditions set out in paragraphs (a), (b) and (c) above shall be determined by reference to the most recent Valuations and the Issuer shall supply, so long as the Notes are outstanding, a list of its Material Subsidiaries to the Fiscal Agent on the date of issue of the Notes and at the latest on the date falling 120 days following the end of its most recent financial year or (in the event that the Issuer publishes semi-annual financial information) of its most recent financial half year;

**"outstanding"** means, in relation to the Notes, all the Notes issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form and in administered registered form, to the relevant Account Holders on behalf of the Noteholder as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the Fiscal Agent as provided in the Agency Agreement and remain available for payment against presentation and surrender of Materialised Notes and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled or purchased and held as provided in the Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Materialised Notes that have been surrendered in exchange for replacement Materialised Notes, (ii) (for the purpose only of determining how many such Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions;

**"Property"** means:

- (d) any owned immovable property, and

- (e) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that immovable property considered to be an "*Immeuble par destination*" under French law;

"**Subsidiary**" means, in relation to any company, another company which is controlled by it within the meaning of article L.233-3 I and II of the French *Code de commerce*;

"**Total Value of the Properties**" means the aggregate Value of the Properties owned by the Group at that time;

"**Valuation**" means the valuations of the Properties prepared by recognised independent property valuers of international repute in accordance with a methodology to remain in accordance with market practice;

"**Value of the Property**" means, in respect of each Property, the value (*hors droits et frais*) of such Property at that time as determined on the basis of the latest Valuation.

#### 4. **Restriction on Secured Borrowings**

The Issuer undertakes to the Noteholders that, so long as any of the Notes remains outstanding and except with the prior approval of the Noteholders by a Collective Decision (as defined under Condition 11), the Unsecured Revalued Assets Value (as defined below) shall not be less than the Relevant Debt (as defined below) at any time.

"**Appraisal Value**" means, with respect to any Person, the value of the total Real Estate Assets owned or held directly or indirectly by such Person (including through financial leases and including the Real Estate Assets used as operating properties) as it is shown in, or derived from, the latest annual or semi-annual consolidated financial statements of the Issuer;

"**Assets**" means for any Person all or any part of its property, assets, revenues (including any right to receive revenues) and uncalled capital;

"**Financial Indebtedness**" means at any time any obligation for the payment or repayment of money, whether present or future, in respect of:

- (a) any outstanding principal amount (together with any fixed or minimum premium payable on final repayment) of all moneys borrowed (with or without security);
- (b) any amounts raised by acceptance or under any acceptance credit opened by a bank or other financial institution;
- (c) any lease, sale-and-lease-back, sale-and-repurchase or hire purchase contracts or arrangements which is, in accordance with the relevant accounting principles at the time such contracts or arrangements were entered into, treated as financial or capital lease;
- (d) any outstanding amount of the deferred purchase price of Real Estate Assets (as defined below) where payment (or, if payable in instalments, the final instalment) is due more than one year after the date of purchase of such Real Estate Asset; or
- (e) any amount raised under any other transaction which is treated in accordance with the relevant accounting principles in the latest non-consolidated or consolidated balance sheet as financial debt (*emprunts et dettes financières*);

provided that:

- (i) for purposes of computing the outstanding principal amount of any Financial Indebtedness in paragraphs (a) to (e) above, any interest, dividends, commission, fees or the like shall be excluded save to the extent that they have been capitalised; and

- (ii) no amount shall be included or excluded more than once in calculating the amount of principal outstanding in respect of any Financial Indebtedness;

"**Person**" includes any individual, company, corporation, firm, partnership, joint-venture, association, organisation, trust, state or agency of a state (in each case whether or not having separate legal personality);

"**Real Estate Assets**" means those Assets of any Person being real estate properties, being land and buildings (either completed or under construction) and equity or equivalent investments (*participations*) directly or indirectly in any other Person which is a *société à prépondérance immobilière* (or its equivalent in any other jurisdiction) or in any other Person (whether listed or not listed) more than 50 per cent. of whose Assets comprise real estate assets;

"**Relevant Debt**" means at any time the aggregate amount of the Financial Indebtedness of the Issuer as shown in, or derived from, the latest audited annual or unaudited semi-annual consolidated financial statements of the Issuer, excluding any Secured Debt;

"**Revalued Assets Value**" means at any time, with respect to the Issuer, (i) the Appraisal Value excluding transfer rights (*droits de transferts*) on the relevant Real Estate Assets, (ii) any relevant deferred taxes (*fiscalité latente*) and (iii) the value of the equity-accounted investments (including advances) held directly or indirectly by the Issuer in any Person as shown in such financial statements;

"**Secured Debt**" means at any time the aggregate amount of the Financial Indebtedness of the Issuer as shown in, or derived from, the latest audited annual or unaudited semi-annual consolidated financial statements of the Issuer, that is secured by or benefits from a Security Interest over any of the Group's Assets;

"**Security Interest**" means any mortgage, charge, pledge, lien or other form of encumbrance or security interest which would constitute a *sûreté réelle* or any other agreement or arrangement having substantially the same economic effect (including, but not limited to, any retention of title, lease or hire-purchase arrangement); and

"**Unsecured Revalued Assets Value**" means at any time an amount equal to the Revalued Assets Value less the Secured Debt.

## 5. Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g).
- (b) **Interest on Floating Rate Notes:**
  - (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
  - (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day

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

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

(A) ISDA Determination for Floating Rate Notes

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

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

For the purposes of this sub-paragraph (A), "**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.

(B) FBF Determination for Floating Rate Notes

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

- (1) the Floating Rate is as specified in the relevant Final Terms, and

- (2) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first calendar day of that Interest Accrual Period unless otherwise specified in the relevant Final terms.

For the purposes of this sub-paragraph (B), “**Floating Rate**” (*Taux Variable*), “**Calculation Agent**” (*Agent*), “**Floating Rate Determination Date**” (*Date de Détermination du Taux Variable*) and “**Transaction**” (*Transaction*) have the meanings given to those terms in the FBF Definitions, provided that Euribor means the rate calculated for deposits in euro which appears on Reuters Page EURIBOR01, as more fully described in the relevant Final Terms. “**FBF Definitions**” means the definitions set out in the 2013 FBF Master Agreement relating to transactions on forward financial instruments a supplemented by the *Fédération Bancaire Française* (together the “**FBF Master Agreement**”), as amended, supplemented and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series. *Investors should consult the Issuer should they require a copy of the FBF Definitions.*

(C) Screen Rate Determination for Floating Rate Notes

- (1) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being EURIBOR or LIBOR (as the case may be), the Rate of Interest for each Interest Accrual Period will, subject as provided below or (if applicable) in Condition 5(b)(iii)(C)(5), be either:

- (a) the offered quotation; or
- (b) the arithmetic mean of the offered quotations,

(expressed as a percentage rate *per annum*) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the relevant Final Terms) the Margin (if any) as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (2) If the Relevant Screen Page is not available or, if sub-paragraph (1)(a) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (1)(b) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest

Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

- (3) If paragraph (2) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).
- (4) Notwithstanding the Conditions 5(b)(iii)(C)(1) to 5(b)(iii)(C)(3), where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being the EUR CMS, the Rate of Interest for each Interest Accrual Period will, subject as provided below or (if applicable) to Condition 5(b)(iii)(C)(5), be the offered quotation (expressed as a percentage rate per annum) for EUR CMS relating to the relevant maturity (the relevant maturity year mid swap rate in EUR (annual 30/360)), which appears on the Relevant Screen Page, being Reuters Screen page "ICESWAP2" under the heading "EURIBOR Basis", as at 11.00 a.m. Frankfurt time, in the case of the EUR-ISDA-EURIBOR Swap Rate-11:00 on the Interest Determination Date in question plus or minus (as

indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.

In the event that the Reference Rate does not appear on the Relevant Screen Page, the Calculation Agent shall determine on the relevant Interest Determination Date the applicable rate based on quotations of at least three Reference Banks for EUR CMS relating to the relevant maturity (in each case the relevant mid-market annual swap rate commencing two TARGET 2 Business Days following the relevant Interest Determination Date). The highest and lowest (or, in the event of equality, one of the highest and/or lowest) quotations so determined shall be disregarded by the Calculation Agent for the purpose of determining the Reference Rate which will be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations.

If fewer than three quotations are provided to the Calculation Agent in accordance with the above paragraph, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercial and reasonable manner.

(5) Benchmark discontinuation

Notwithstanding the above, if a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Terms and Conditions of any Notes provide for any rate of interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply and prevail over the other fallbacks specified in Condition 5(b)(iii)(C).

(i) Independent Adviser

The Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(b)(iii)(C)(5)(ii)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5(b)(iii)(C)(5)(iii)) and any Benchmark Amendments (in accordance with Condition 5(b)(iii)(C)(5)(iv)).

An Independent Adviser appointed pursuant to this Condition 5(b)(iii)(C)(5) shall act in good faith as an expert and (in the absence of manifest error or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent or any other party responsible for determining the Rate of Interest specified in the applicable Final Terms, or the Noteholders for any determination made by it pursuant to this Condition 5(b)(iii)(C)(5).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser determines in good faith that:

- (I) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(b)(iii)(C)(5)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s)

of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(b)(iii)(C)(5); or

(II) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5(b)(iii)(C)(5)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(b)(iii)(C)(5)).

(iii) Adjustment Spread

If the Independent Adviser determines in good faith (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5(b)(iii)(C)(5) and the Independent Adviser determines in good faith (A) that amendments to the Terms and Conditions of the Notes (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are strictly necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(iii)(C)(5)(v), without any requirement for the consent or approval of Noteholders, vary the Terms and Conditions of the Notes to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(b)(iii)(C)(5)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) Notices, etc.

The Issuer shall, after receiving such information from the Independent Adviser, notify the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative (if any) and, in accordance with Condition 14, the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and of the specific

terms of any Benchmark Amendments, determined under this Condition 5(b)(iii)(C)(5). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) Fallbacks

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, no Independent Adviser has been appointed or no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision, the fallback provisions relating to the Original Reference Rate specified in Condition 5(b)(iii)(C) will continue to apply to such determination, provided that such fallbacks may in certain circumstances, lead to apply the Rate of Interest determined as at the last preceding Interest Determination Date.

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 5(b)(iii)(C)(5), *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate (and, if applicable, any associated Adjustment Spread and/or Benchmark Amendments) has been determined and notified in accordance with this Condition 5(b)(iii)(C)(5) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions, including, for the avoidance of doubt, the fallbacks specified in Condition 5(b)(iii)(C), will continue to apply).

(vii) Definitions

In this Condition 5(b)(iii)(C)(5):

**"Adjustment Spread"** means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- b) in the case of an Alternative Rate (or in the case of a Successor Rate where (a) above does not apply), is in customary market usage in the international debt capital market for transactions which reference

the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or

- c) if no such recommendation or option has been made (or made available), or the Independent Adviser determines there is no such spread, formula or methodology in customary market usage, the Independent Adviser, acting in good faith, determines to be appropriate.

**"Alternative Rate"** means, in the absence of Successor Rate, an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 5(b)(iii)(C)(5) and which is customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period (if there is such a customary market usage at such time) and in the same Specified Currency as the Notes.

**"Benchmark Event"** means, with respect to an Original Reference Rate:

- a) the Original Reference Rate ceasing to exist or be published;
- b) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six (6) months prior to the date specified in (b)(i);
- c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- d) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six (6) months prior to the date specified in (d)(i);
- e) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six (6) months;
- f) it has or will prior to the next Interest Determination Date, become unlawful for the Issuer, the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the applicable Final Terms, as

applicable), or any Paying Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable);

- g) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the Benchmarks Regulation (Regulation (EU) 2016/2011) of any benchmark administrator previously authorised to publish such Original Reference Rate has been adopted; or
- h) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or its methodology has materially changed.

**"Independent Adviser"** means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise, at all times acting in good faith and in a commercially reasonable manner, appointed by the Issuer at its own expense under Condition 5(b)(iii)(C)(5)(i).

**"Original Reference Rate"** means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes.

**"Relevant Nominating Body"** means, in respect of a benchmark or screen rate (as applicable):

- a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof.

**"Successor Rate"** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser will determine, among those successor or replacement rates, the one which is the most appropriate, taking into consideration, without limitation, the particular features of the relevant Notes.

(D) Linear Interpolation

Where Linear Interpolation is specified in the relevant Final Terms as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the relevant Final Terms as applicable; which term shall include, for the purposes of this paragraph, the relevant Alternative Rate or the relevant Successor Rate, to the extent and as applicable), the relevant Floating Rate Option (where ISDA Determination is specified in the relevant Final Terms as applicable), or the relevant Floating Rate (where FBF Determination is specified in the relevant Final Terms as applicable) one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, (b) in relation to ISDA Determination, the Designated Maturity and (c) in relation to FBF Determination, the period of time designated in the Floating Rate.

- (c) **Fixed/Floating Rate Notes:** Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the relevant Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the relevant Final Terms.
- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date 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 Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, and Rounding:**
- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above 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, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or

minimum, as the case may be. Unless a higher Minimum Rate of Interest is specified in the relevant Final Terms, the Minimum Rate of Interest shall be deemed equal to zero.

- (iii) For the purposes of any calculations required pursuant to these 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 shall 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 the lowest amount of such currency that is available as legal tender in the country/ies of such currency.
- (g) **Calculations:** The amount of interest payable per Specified Denomination in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Specified Denomination specified in the relevant Final Terms, 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 Specified Denomination 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 amount of interest payable per Specified Denomination in respect of such Interest Period shall be the sum of the Interest Amounts payable 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.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Early Redemption Amounts, Optional Redemption Amounts, Optional Make-Whole Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Early Redemption Amount, Optional Redemption Amount, Optional Make-Whole Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Early Redemption Amount, Optional Redemption Amount, Optional Make-Whole Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, 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 applied to 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 exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the second Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, 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 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (i) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such 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 a currency and/or one or more Business Centres (as specified in the relevant Final Terms), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres;

"**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**"):

- (iv) if "**Actual/Actual**", "**Actual/Actual - ISDA**" or "**Actual-365 (FBF)**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (v) if "**Actual/365 (Fixed)**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (vi) if "**Actual/Actual (FBF)**" is specified in the relevant Final Terms, the fraction whose numerator is the actual number of calendar days elapsed during the Calculation Period and whose denominator is 365 (or 366 if 29 February falls within the Interest Period). If the Interest Period is of a duration of more than one (1) year, the basis shall be calculated as follows:
  - (A) the number of complete years shall be counted back from the last calendar day of the Interest Period; and
  - (B) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition
- (vii) if "**Actual/360**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (viii) if "**Actual/365 (Sterling)**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period is divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (ix) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

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

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

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30

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

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

where:

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

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

the fraction is:

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

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

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" 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<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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<sub>2</sub> will be 30.

- (xiii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms,
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one 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.

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

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

**"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 on European Union, as amended.

**"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:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Specified Denomination for that Interest Accrual Period and which, in the case of Fixed Rate Notes, shall mean the Fixed Coupon Amount or Broken Amount specified in the relevant Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Specified Denomination for that period.

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

**"Interest Determination Date"** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency 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 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) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

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

**"ISDA Definitions"** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, supplemented and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series. *Investors should consult the Issuer should they require a copy of the 2006 ISDA Definitions.*

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

**"Reference Banks"** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR or EUR CMS, the principal Euro-zone office of, respectively, four or five major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent.

**"Reference Rate"** means the rate specified as such in the relevant Final Terms, which shall be either LIBOR, EURIBOR or EUR CMS Rate (or any successor or replacement rate), subject as provided in Condition 5(b)(iii)(C)(5).

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms.

"**Specified Currency**" means the currency specified as such in the relevant Final Terms.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

- (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 Final Terms and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. Without prejudice and subject to the provisions of Condition 5(b)(iii)(C)(5), 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, Instalment Amount, Early Redemption Amount, Optional Redemption Amount or Optional Make-Whole Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution 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 to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid and notice of any such change of Calculation Agent shall promptly be given to the Noteholders in accordance with Condition 14 below.

## 6. Redemption, Purchase and Options

### (a) **Redemption by Instalments and Final Redemption:**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6 each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its nominal amount (the "**Final Redemption Amount**") or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount which shall be equal to the nominal value of such Note remaining outstanding at such time.

### (b) **Early Redemption:**

- (i) *Zero Coupon Notes:*
- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(c), 6(d), 6(e), 6(f) or 6(h) or 6(i) (all if applicable) or upon it becoming due and payable as provided in Condition 10, shall be the "Amortised Face Amount" (calculated as provided below) of such Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised 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 Amortisation Yield (which, if none

is shown in the relevant Final Terms, shall be such rate as would produce an Amortised 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.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), 6(d), 6(e), 6(f) or 6(h) or 6(i) (all if applicable) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

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 Final Terms.

- (ii) *Other Notes:*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), 6(d), 6(e), 6(f) or 6(h) or 6(i) (all if applicable) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount.

(c) **Redemption for Taxation Reasons:**

- (i) If, by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Notes or Coupons, not be able to make such payment without having to pay additional amounts as specified in Condition 8 below, and provided that such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may on any Interest Payment Date (if the Note is a Floating Rate Note) or, at any time, (if the Note is not a Floating Rate Note), subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 14 redeem all, but not some only, of the outstanding Notes at their Early Redemption Amount (as described in Condition 6(b) above) together with any interest accrued to the date fixed for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.
- (ii) If the Issuer would on the occasion of the next payment in respect of the Notes or Coupons be prevented by French law or regulation from making payment to the Noteholders or Couponholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 below, and provided that this cannot be avoided by the Issuer taking reasonable measures available to it, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with any interest accrued to the date set for redemption on the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount payable in respect of the Notes or Coupons without withholding or deduction for French taxes, or, if such date is past, as soon as practicable thereafter.

- (d) **Redemption at the Option of the Issuer:** If "Call Option" is specified as being applicable in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem, all or, if so provided, some, of the outstanding Notes on any Optional Redemption Date specified in the relevant Final Terms. Any such redemption of Notes shall be at the Optional Redemption Amount specified in the relevant Final Terms (which may be the Early Redemption Amount (as described in Condition 6(b) above)) together with interest accrued up to (but excluding) the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount specified in the relevant Final Terms and no greater than the Maximum Redemption Amount specified in the relevant Final Terms.
- (e) **Residual Maturity Call Option by the Issuer:** If "Residual Maturity Call Option" is specified as being applicable in the relevant Final Terms, the Issuer may, at its option, from and including the Residual Maturity Exercise Date (as defined in the relevant Final Terms), which shall be 3 months prior to the Maturity Date specified in the relevant Final Terms, to but excluding the Maturity Date, subject to having given not more than 60 nor less than 30 days prior notice to the Noteholders and the Fiscal Agent in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the outstanding Notes at the Early Redemption Amount together with interest accrued up to (but excluding) the date fixed for redemption.
- (f) **Squeeze-out Call Option:** If "Squeeze-out Call Option" is specified as being applicable in the relevant Final Terms, the Issuer may, at any time, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other period as may be specified in the relevant Final Terms), redeem all but not some only of the Notes for the time being outstanding, if, immediately prior to the date that such notice is given, Notes representing an aggregate amount equal to or exceeding the Minimum Percentage (as specified in the relevant Final Terms, being a percentage of the aggregate nominal amount of such Series (including, for the avoidance of doubt any Notes which have been consolidated and form a single Series therewith)) shall have been redeemed or purchased (and subsequently cancelled) by the Issuer other than by way of a redemption at the option of the Issuer in accordance with Condition 6(f). Any such redemption shall be at the Early Redemption Amount together with interest accrued up to (but excluding) the date fixed for redemption. 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.
- (g) **Optional Make-Whole Redemption by the Issuer:** If "Optional Make-Whole Redemption by the Issuer" is specified as being applicable in the relevant Final Terms, the Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and having given not less than 30 nor more than 45 days' irrevocable notice in accordance with Condition 14 to the Noteholders and to the Fiscal Agent (which notice shall be irrevocable and shall specify the date fixed for redemption), have the option to redeem the Notes, in whole or in part, at any time prior to their Maturity Date (the "**Optional Make-Whole Redemption Date**") at the Optional Make-Whole Redemption Amount (as described below) together with any accrued and unpaid interest up to (but excluding) the date fixed for redemption.

The "**Optional Make-Whole Redemption Amount**" will be calculated by the Calculation Agent and will be an amount in the relevant currency rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) the Final Redemption Amount of the Notes so redeemed and (y) the sum of the then present values on the Optional Make-Whole Redemption Date of (i) the nominal amount of the Notes and (ii) the remaining scheduled payments of principal (if applicable) and interest on such Notes for the remaining term of such Note (determined on the basis of the interest rate applicable to such Note from the Interest Payment Date immediately preceding the Optional Make-Whole Redemption Date to, but excluding, the Optional Make-Whole Redemption Date), discounted from the Maturity Date to the Optional Make-Whole Redemption Date on an annual basis at the Early Redemption Rate plus an Early Redemption Margin.

If a "Residual Maturity Call Option" is specified as being applicable in the relevant Final Terms and if the Issuer decides to redeem the Notes pursuant to the Optional Make-Whole Redemption by the Issuer before the Residual Maturity Exercise Date specified in the relevant Final Terms, the Optional Make-Whole Redemption Amount will be calculated by substituting the Maturity Date by the Residual Maturity Exercise Date and, for the avoidance of doubt, the last remaining scheduled payment of interest shall be deemed to fall on the Residual Maturity Exercise Date, and the amount of interest to be taken into account shall be the interest that would have accrued on the Notes on, and from, the Interest Payment Date immediately preceding the Residual Maturity Exercise Date, to but excluding the Residual Maturity Exercise Date.

"**Early Redemption Margin**" has the meaning given to it in the relevant Final Terms.

"**Early Redemption Rate**" means the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security (as specified in the relevant Final Terms) on the fourth Business Day preceding the Optional Make-Whole Redemption Date at 11.00 a.m. (Central European time (CET)). If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth Business Day preceding the Optional Make-Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer and notified to the Noteholders in accordance with Condition 14.

"**Reference Benchmark Security**" has the meaning given to it in the relevant Final Terms.

"**Reference Dealers**" means each of the four banks (that may include the Dealers) selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues or as specified in the relevant Final Terms.

"**Similar Security**" means a reference bond or reference bonds issued by the issuer of the Reference Benchmark Security having an actual or interpolated maturity comparable with the remaining term of the Notes that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

The determination of any rate or amount, the obtaining of each quotation 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.

- (h) **Redemption at the Option of Noteholders:** If "Put Option" is specified as being applicable in the relevant Final Terms, the Issuer shall, at the option of any Noteholder, upon such Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem the Note(s) of such Noteholder on the Optional Redemption Date (as defined in the relevant Final Terms) selected by such Noteholder in the relevant Exercise Notice (as defined below) at the Optional Redemption Amount specified in the relevant Final Terms (which may be the Early Redemption Amount (as described in Condition 6(b) above)) together with interest accrued to such Optional Redemption Date.

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

- (i) **Redemption at the Option of the Noteholders following a Change of Control:** If "Change of Control Put Option" is specified as being applicable in the relevant Final Terms, and if any time while any Note remains outstanding (a) a Change of Control occurs and (b) within the Change of Control Period, (i) (if at the time of the Change of Control the Issuer and/or

the Notes outstanding have a rating from a Rating Agency) a Rating Downgrade occurs or has occurred as a result of such Change of Control or (ii) (if at the time of the Change of Control the Issuer and/or the Notes outstanding do not have a rating from a Rating Agency) a Negative Rating Event in respect of that Change of Control occurs (such Change of Control and Rating Downgrade or Negative Rating Event, as the case may be, occurring within the Change of Control Period together called a "**Put Event**"), each Noteholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Notes under Condition 6) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of its Notes, on the Change of Control Redemption Date (as defined below). Each Note shall be redeemed or purchased at the Early Redemption Amount together with (or, where purchased, together with an amount equal to) accrued interest to (but excluding) the Change of Control Redemption Date.

A "**Change of Control**" shall be deemed to have occurred each time that any person or persons acting in concert (within the meaning of Article L.233-10 of the French *Code de commerce*), other than Carrefour, directly or indirectly holds more than 50 per cent. of the shares or voting rights of the Issuer.

"**Carrefour**" means Carrefour SA and its Subsidiaries.

"**Change of Control Period**" means the period commencing on the date that is the earlier of (i) the date of the first public announcement of the occurrence of the relevant Change of Control; and (ii) the date of the earliest Potential Change of Control Announcement (if any) and ending on the date which is 180 days after the date of the first public announcement of the occurrence of the relevant Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 180 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration).

"**Negative Rating Event**" shall be deemed to have occurred if (i) the Issuer does not on or before the expiry of 60 days following the Change of Control seek to obtain an investment grade rating (BBB-, or its equivalent for the time being, or better) of the Notes failing which, a corporate rating from a Rating Agency, or (ii) if it does so seek, it has not at the expiry of the Change of Control Period obtained such rating, provided that the Rating Agency (A) announces or publicly confirms or, (B) having been so requested by the Issuer, informs the Issuer or the Fiscal Agent in writing that its declining to assign such rating was the result, in whole or in part, of the applicable Change of Control (whether or not the Change of Control shall have occurred at the time such rating is declined).

"**Potential Change of Control Announcement**" means any public announcement or public statement by the Issuer, any actual or potential bidder or any advisor thereto relating to any potential Change of Control, such announcement or statement occurring no more than 180 days prior to the first public announcement of the occurrence of the relevant Change of Control.

"**Rating Agency**" means any of the following: (a) Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.; or (b) any other rating agency of equivalent international standing established in the European Union and registered under Regulation (EC) No. 1060/2009 as amended and requested from time to time by the Issuer to grant a rating and, in each case, their respective successors or affiliates.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period:

- (A) the rating previously assigned to the Notes or to the Issuer by any Rating Agency is (x) withdrawn or (y) changed from an investment grade rating (BBB-, or its equivalent for the time being, or better) to a non-investment grade rating (BB+, or its equivalent for the time being, or worse); and

- (B) such rating is not within the Change of Control Period subsequently upgraded (in the case of a downgrade) or reinstated (in the case of a withdrawal) either to an investment grade credit rating (in the case of (y)) or to its earlier credit rating or better (in the case of (x)) by such Rating Agency;

provided however that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed to have occurred in respect of a particular Change of Control only if (i) the Rating Agency making the relevant decision referred to above publicly announces or publicly confirms that such decision was the result, in whole or in part, of the Change of Control or (ii) the Rating Agency making the relevant decision referred to above has confirmed in a letter or other form of written communication sent to the Issuer and publicly disclosed that such decision was the result, in whole or in part, of the Change of Control, and provided further that if the Notes are rated by more than one Rating Agency, a Rating Downgrade shall be deemed not to have occurred in respect of a particular Put Event if only one Rating Agency has withdrawn or lowered its rating.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Fiscal Agent and to the Noteholders in accordance with Condition 10 specifying the nature of the Put Event, the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this section.

To exercise the Change of Control Put Option to require redemption or, as the case may be, purchase of a Note under this section, a Noteholder must transfer (or cause to be transferred by its Account Holder) its Notes to be so redeemed or purchased to the account of the Fiscal Agent (details of which are specified in the Put Option Notice) for the account of the Issuer within the period of 45 days after the Put Event Notice is given (the "**Put Period**"), together with a duly signed and completed notice of exercise in the form obtainable from the specified office of the Fiscal Agent or the Paying Agent (a "**Put Option Notice**") and in which the Noteholder shall specify a bank account denominated in euro to which payment is to be made under this Condition.

A Put Option Notice once given shall be irrevocable.

The Issuer shall redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the accounts of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth (5th) Business Day following the end of the Put Period (the "**Change of Control Redemption Date**"). Payment in respect of any Note so transferred will be made via the relevant Account Holders on the Change of Control Redemption Date in Euro to the Euro-denominated bank account specified by the Noteholder in the Put Option Notice.

For the avoidance of doubt, no additional amount shall be payable by the Issuer to a Noteholder as a result of or in connection with such Noteholder's exercise of, or otherwise in connection with the put options in this Condition 6(i) or in Condition 6(h) (whether as a result of any purchase or redemption arising therefrom or otherwise).

- (j) **Provision relating to partial redemption:** If only some of the Notes of a Series are to be redeemed or subject to the exercise of an Issuer's option, on such date (i) in the case of Materialised Notes, the number of Materialised Notes to be redeemed shall be drawn by the Fiscal Agent in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market requirements and, where applicable, the Issuer shall be entitled to send representatives to attend such drawing and (ii) in the case of Dematerialised Notes, such partial redemption shall be made by reducing the aggregate nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed.
- (k) **Purchases:** The Issuer and any of its Subsidiaries may at any time purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged

Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price, subject to the applicable laws and/or regulations. All Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes.

- (l) **Cancellation:** All Notes purchased by or on behalf of the Issuer may, at its sole option, be held or cancelled in accordance with applicable laws and regulations. Notes will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Notes in question together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. To the extent that the Notes are admitted to trading on Euronext Paris, the Issuer will inform Euronext about such cancellation.

## 7. Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall, in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank designated by the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Notes:** Payments of principal and interest in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its Agents) and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

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

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

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 14 below.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
- (i) Unless the relevant Final Terms specify that the Materialised Notes provide that the relevant Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Optional Make-Whole Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
  - (ii) If the relevant Final Terms specify that the Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Materialised Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Where any Materialised Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Materialised Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (v) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Note. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Definitive Materialised Note.

- (vi) The provisions of paragraph (i) of this Condition 7(f) notwithstanding, if any Note should be issued with a maturity date and Interest Rate or Rates such that, on the presentation for payment of any such Notes without all unmatured Coupons attached thereto or surrendered therewith, the amount required by such paragraph (i) to be deducted in respect of such missing unmatured Coupons would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such missing unmatured Coupons shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of such paragraph (i) in respect of such Coupons as have not so become void, the amount required by such paragraph (i) to be deducted would not be greater than the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or the Optional Make-Whole Redemption Amount, as the case may be, otherwise due for payment (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupons that the sum of principal so paid bears to the total principal due). Where the application of the foregoing sentence requires some but not all of such missing unmatured Coupons relating to a Note to become void, the relevant Paying Agent shall determine which missing unmatured Coupons (or proportion thereof) are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as "**Financial Centres**" in the relevant Final Terms and (C) (i) (in the case of a payment in a currency other than Euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in Euro), which is a TARGET Business Day.

## 8. Taxation

- (a) **Withholding Tax:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes and Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any jurisdiction or any political subdivision or any authority thereof having power to tax, unless such withholding or deduction is required by law.
- (b) **Additional Amounts:** If pursuant to French laws or regulations, payments of principal, interest or other revenues in respect of any Note or Coupon become subject to deduction or withholding in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note or Coupon, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note or Coupon:
  - (i) **Other Connection:** to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note

or Coupon by reason of his having some connection with the Republic of France other than the mere holding of such Note or Coupon; or

- (ii) **Presentation more than 30 days after the Relevant Date:** in the case of Materialised Notes presented for payment more than 30 days after the Relevant Date, except to the extent that the Noteholder or the Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on or before such thirtieth (30th) calendar day of such time period.

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

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Optional Make-Whole Redemption Amount, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "**interest**" and/or "**other revenues**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" and/or "**other revenues**" shall be deemed to include any additional amounts that may be payable under this Condition.

**FATCA Withholding:** The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with those provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**") as a result of the Noteholder, beneficial owner or an intermediary (that is not an agent of the Issuer) not being entitled to receive payments free of FATCA withholding. The Issuer shall not be liable for, or otherwise obliged to pay, any FATCA withholding deducted or withheld by the Issuer, any paying agent or any other party.

## 9. Prescription

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

## 10. Events of Default

Any Noteholder may, upon written notice to the Issuer, with a copy to the Fiscal Agent, cause all the Notes (but not some only) held by such Noteholder to become immediately due and payable at their principal amount, together with interest accrued since the last Interest Payment Date (or, if applicable, since the Issue Date) preceding the early redemption date and until the date of effective redemption, if any of the following events occurs (an "**Event of Default**"):

- (a) if any amount of principal or interest on any Note shall not be paid by the Issuer on the due date thereof and such default shall not be remedied by the Issuer within a period of 15 days from such due date; or
- (b) if the Issuer defaults in the due performance of any obligation in respect of the Notes (other than as referred in (a) above) and such default continues for a period of 30 days (unless such

default is not curable in which case such period shall not apply) following receipt by the Issuer of a written notice of such default; or

- (c) if (i) any present or future Financial Indebtedness (as defined in Condition 3) of the Issuer or any of its Material Subsidiaries (as defined in Condition 2) shall become due and payable and shall not be paid when due or, as the case may be, after the expiration of any originally applicable grace period or (ii) any guarantee or indemnity given by the Issuer or any of its Material Subsidiaries for Financial Indebtedness of others shall not be honoured when due or called upon or, as the case may be, after the expiration of any originally applicable grace period, provided that the amounts due in respect of (i) and (ii) are, individually or in the aggregate, equal to or in excess of €50,000,000 (or its equivalent in any other currency), and unless in any such event (x) the Issuer or such Material Subsidiary, as the case may be, is disputing in good faith that such Financial Indebtedness is due and payable or that such guarantee or indemnity is due and callable, in which case such event shall not constitute an Event of Default hereunder so long as the dispute shall not have been irrevocably adjudicated or (y) the amount due is not paid due to circumstances affecting the making or clearing of the payment which are outside the control of the Issuer or such Material Subsidiary, as the case may be, in which case such event shall not constitute an Event of Default so long as such circumstances continue in existence; or
- (d) if the Issuer is wound up or dissolved or ceases to carry on all or substantially all of its business except (i) in connection with a merger or spin-off (including *fusion-scission*), consolidation, amalgamation or other form of reorganisation (including a management buy-out or leveraged buy-out) pursuant to which the surviving entity shall be the transferee or successor to all or substantially all of the business of the Issuer and assumes all of the obligations of the Issuer with respect to the Notes or (ii) on such other terms approved by the Noteholders by a Collective Decision; or
- (e) if (i) any judgment is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or any of its Material Subsidiaries or the transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or any of its Material Subsidiaries in the context of a procedure of judicial liquidation (*liquidation judiciaire*) or of a judicial rehabilitation (*redressement judiciaire*) or (ii) the Issuer or any of its Material Subsidiaries is subject to any similar proceedings whatsoever.

## 11. Representation of Noteholders

The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a masse (the "**Masse**") which will be governed by the provisions of articles L.228-46 *et seq.* of the French *Code de commerce* as amended by this Condition 11.

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which may accrue with respect to the Notes, without prejudice to the rights that Noteholders may exercise individually in accordance with, and subject to, the provisions of the terms and conditions of the Notes.

### (a) Legal Personality of the Masse

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

### (b) Representative

The names and addresses of the Representative and its alternate (if any), will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all subsequent Tranches in such Series.

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

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by its alternate, if any. Another Representative may be appointed. Collective Decisions in relation to the appointment or replacement of the Representative shall be published in accordance with Condition 11(j).

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

(c) **Powers of Representative**

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

(d) **Collective Decisions**

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

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

Collective Decisions must be published in accordance with Condition 11(j).

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

(e) **General Meetings**

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

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

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 11(j) not less than 15 days prior to the date of the General Meeting on first convocation and not less than 5 days prior to the date of the General Meeting on second convocation.

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

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

The General Meeting is chaired by the Representative. In the event of the absence of a representative at the start of a General Meeting and if no Noteholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

(f) **Written Decisions**

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

(i) **Written Unanimous Decision**

Written Unanimous Decisions shall be signed by or on behalf of all the Noteholders. Approval of a Written Unanimous Decision may also be given by way of electronic communication allowing the identification of Noteholders in accordance with Article L.228-46-1 of the French *Code de commerce* ("**Electronic Consent**"). Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Such Written Unanimous Decision may be contained in one document, or in several documents in like form each signed by or on behalf of one or more of such Noteholders, and shall be published in accordance with Condition 11(j).

(ii) **Written Majority Decision**

Notices seeking the approval of a Written Majority Decision, will be published as provided under Condition 11(j) no less than 15 days prior to the date fixed for the passing of such Written Majority Decision (the "**Written Majority Decision Date**"). Notices seeking the approval of a Written Majority Decision will contain the conditions of form and time limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Majority Decision. Noteholders expressing their approval or rejection before the Written Majority Decision Date will undertake not to dispose of their Notes until after the Written Majority Decision Date.

Written Majority Decisions shall be signed by one or more Noteholders holding together at least  $66\frac{2}{3}$  per cent. of the principal amount of the Notes outstanding. Approval of a Written Majority Decision may also be given by Electronic Consent. Any Written Majority Decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of the Noteholders. Such Written Majority Decisions may be contained in one document, or in several documents in like form each signed by or on one behalf of one or more of the Noteholders, and shall be published in accordance with Condition 11(j).

(g) **Expenses**

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

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse.

(i) **Sole Noteholder**

If and for so long as the Notes of any Series are held by a sole Noteholder and unless a Representative has been appointed in relation to such Series, such Noteholder shall exercise all powers, rights and obligations entrusted to the Masse by the provisions of the French *Code de commerce*. The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

(j) **Notices for the purpose of this Condition 11**

Any notice to be given to Noteholders in accordance with this Condition 11 shall be published on the website of the Issuer ([www.carmila.com](http://www.carmila.com)) and,

- (i) in the case of the holders of Notes in registered form (*au nominatif*), mailed to them at their respective addresses, in which case they shall be deemed to have been given on the fourth (4<sup>th</sup>) weekday (being a day other than a Saturday or a Sunday) after the mailing; or
- (ii) in the case of the holders of Notes in bearer form (*au porteur*), given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared.

Any decision to proceed with a transaction, notwithstanding the failure to obtain Noteholders' approval, as contemplated by Article L.228-72 of the French *Code de commerce* will be notified to Noteholders in accordance with this Condition 11(j). Any Noteholder will then have the right to request redemption of its Notes at par within 30 days of the date of notification, in which case the Issuer shall redeem such Noteholder within 30 days of the Noteholder's request for redemption.

If a merger or a spin-off is contemplated by the Issuer, the Issuer will have the option to submit the proposal for approval by a Collective Decision of the Masse or to offer redemption at par to Noteholders pursuant to Article L. 228-73 of the French *Code de commerce*. Such redemption offer shall be notified to Noteholders in accordance with this Condition 11(j). If the Masse does not approve the merger or spin-off proposal, any decision to proceed with the transaction will be notified to Noteholders in accordance with this Condition 11(j).

In this Condition 11, the expression "outstanding" does not include the Notes subscribed or purchased by the Issuer in accordance with Article L.213-0-1 of the Code which are held by the Issuer and not cancelled.

## 12. **Replacement of Materialised Notes, Coupons and Talons**

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

or defaced Materialised Notes, Coupons or Talons must be surrendered before replacements will be issued.

### 13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes to be assimilated (*assimilées*) and form a single series with the Notes provided such Notes and the further notes carry rights identical in all respects (or in all respects save for the nominal amount thereof, the issue price and the first payment of interest specified in the relevant Final Terms) and that the terms of such further notes provide for such assimilation and references in these Conditions to "Notes" shall be construed accordingly.

### 14. Notices

- (a) Subject to Condition 14(d), notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth (4<sup>th</sup>) weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*); provided that, so long as such Notes are admitted to trading on any Regulated Market and the rules applicable to such Regulated Market so require, notices shall be valid if published in a daily newspaper with general circulation in the city/ies where the Regulated Market on which such Notes is/are admitted to trading is located which, in the case of Euronext Paris, is expected to be *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are admitted to trading on any Regulated Market and the rules applicable to such Regulated Market so require, in a leading daily newspaper with general circulation in the city/ies where the Regulated Market on which such Notes is/are admitted to trading is located which, in the case of Euronext Paris is expected to be *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe, provided that so long as such Notes are admitted to trading on any Regulated Market, notice shall be published as otherwise required by the applicable rules of that Regulated Market, as the case may be. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au nominatif ou au porteur*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14 (a), (b) and (c) above; except that so long as such Notes are listed on any Regulated Market and the rules applicable to such Regulated Market so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is/are located which, in the case of Euronext Paris is expected to be *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be.
- (e) For the avoidance of doubt, this Condition 14 shall not apply to notices to be given pursuant to Condition 11.

**15. Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes and where applicable, the Coupons and the Talons, are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** The competent courts within the jurisdiction of the Court of Appeal of Paris have non-exclusive jurisdiction to settle any dispute arising out of or in connection with any Notes, Coupons or Talons.

## TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED NOTES

### Temporary Global Certificates

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Notes. Upon the initial deposit of such Temporary Global Certificate with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**"), Euroclear or Clearstream, Luxembourg will credit the accounts of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

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

### Exchange

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

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Subscription and Sale" below), in whole, but not in part, for the Definitive Materialised Notes; and
- (ii) otherwise, in whole but not in part upon certification as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Notes.

### Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, Definitive Materialised Notes means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that has not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and Regulated Market requirements. Forms of such Definitive Materialised Notes shall be available at the specified offices of any of the Paying Agent(s).

### Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate, the calendar day falling after the expiry of 40 calendar days after its issue date, *provided that*, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 13(a), the Exchange Date for such Temporary Global Certificate shall be postponed to the calendar day falling after the expiry of 40 calendar days after the issue of such further Materialised Notes.

## **USE OF PROCEEDS**

Unless otherwise specified in the relevant Final Terms, the net proceeds of the issue of Notes will be used for the general corporate purposes of the Group.

## **DESCRIPTION OF THE ISSUER**

The description of the Issuer is set out in the 2018 Registration Document incorporated by reference herein (please see the section headed "Documents Incorporated by Reference" on pages 15 to 18 of this Base Prospectus).

## RECENT DEVELOPMENTS

On 16 May 2019, the Issuer published the following press release regarding the resignation of Jacques Ehrmann as Chairman and Chief Executive Officer and Director of the Issuer:

"At a meeting of the Board of Directors held on May 15, 2019, Jacques Ehrmann resigned as Chairman and Chief Executive Officer and Director of Carmila.

This resignation will take effect on June 30, 2019.

The Board expressed to Mr. Jacques Ehrmann its unanimous thanks for his action in the service of the Company he created, of which he was the Chairman and Chief Executive Officer since 2014 and the one who conducted its IPO in 2017. The Board underlined the quality of his governance, his strategic vision and the results achieved under his leadership.

After consulting its Compensation and Nominating Committee, the Board of Directors has chosen Mr. Alexandre de Palmas to succeed Mr. Jacques Ehrmann as Board member and Chairman and Chief Executive Officer of Carmila as of July 1st, 2019.

After a first retail real estate experience with the Casino Group, Alexandre de Palmas, 44, has held senior management positions at Clear Channel, Elior (catering) and Carrefour Proximité, which have placed him at the heart of consumption and marketing, valuable knowledge for the development of Carmila, a major player in shopping centres in France, Spain and Italy."

On 18 April 2019, the Issuer published the following press release regarding its financial information as at 31 March 2019:

"

### Financial information as at 31 March 2019

**Strong gross rental income growth of +8.7%.**

**Project schedule maintained.**

**Significant progress in local digital marketing and CSR.**

---

### Gross rental income for the first quarter of 2019

---

Carmila's gross rental income for the first three months of 2019 stood at €89.2 million compared with €82.1 million over the same period in 2018, representing an increase of +8.7%.

<i>In thousands of euros</i>	31 March 2019	31 March 2018	% change 2019/2018
<b>Gross rental income</b>	89,206	82,076	+8.7%
France	59,448	57,410	+3.5%
Spain	23,677	18,755	+26.2%
Italy	6,081	5,911	+2.9%

2018 was a successful year for acquisitions and these generated significant gross rental income growth in 2019. Carmila acquired nine shopping centres last year, which represented an annualised net rental income of €23.5 million.

The change in gross rental income in the first quarter was also driven by the delivery in 2018 of seven projects representing net rental income on an annualised basis of €1 million.

The growth in cumulative gross rental income at the end of March 2019, compared with the first quarter of 2018, is +8.7% and breaks down as follows:

- impact of 2018 acquisitions on growth in gross rental income: +5.7 points;
- impact of extensions delivered in 2018 (no deliveries in the first quarter of 2019): +1.6 points;
- growth of gross rental income at constant scope: +1.8 points (1.3% of average indexation); and
- other effects (strategic vacancy, non-cash impacts, etc.): -0.4 points.

### **Operating activity of the first quarter of 2019**

#### ***Schedule maintained for developments under construction***

Restructuring works were launched to enable Primark to open at Cité Europe in Calais in the fourth quarter of 2019. Primark's arrival steps up the momentum of this centre's transformation, which began following its acquisition in 2014 and enhances the attractiveness this leading regional shopping destination. A revamped food court in 2020 with an array of new brands will increase footfall and strengthen the commercial zone.

The Rennes-Cesson extension works are in full swing for delivery scheduled in November 2019. The site is favourably located at the entrance to the city and the extension will add 32 units to the shopping centre which will have 67 units upon completion. Almost 80% of the leasable area has already been let.

The works to extend the Nice Lingostière shopping centre are underway with the recent delivery of the first phase of the underground car park. This will enable the extension works on the existing parking lot to be started. Once the project is completed, this shopping centre will bring together around one hundred brands over a total leasable area of 20,000 m<sup>2</sup>. To date, 83% of the leasable area has been let. This development aims to make the long established Nice Lingostière commercial centre a major hub in the Côte d'Azur's economic capital. Planned opening: second semester of 2020.

During the first quarter of 2019, a project to restructure the Bourg-en-Bresse shopping centre was launched. Next October, the site will welcome Go Sport and Jouet Club and its overall theme will be the colours of the "Air de Famille" (family resemblances) design concept. In line with Carmila's strategy and expertise, this project will increase the appeal of this local centre which has a firm foothold in a medium-sized area.

#### ***The ramping up of local digital marketing continues and its local roll-out is accelerating***

The number of local marketing events carried out at all centres is increasing and the 2019 target of 450 activities per month was achieved over the first quarter of 2019, demonstrating the ability of Carmila teams, both centrally and locally, to deploy digital tools quickly and effectively in order to reinforce retailers' business activity.

The number of contacts in the local databases exceeds 2 million and stands at 2.25 million (+15% vs December 2018), providing retailers with local access to increasingly detailed information on each centre's customer base. The partnership with Google provides local information in addition to these databases and enhance the impact of the tools and their ability to reach an increasingly relevant local target audience.

The strategy of brand content from "ambassador-customers" in centres is intensifying. Following five test centres in 2018, 11 local micro-influencers in France and Italy are already producing high quality content promoting news about the centres and retailers to their local communities.

National retailers have taken up their posts and stories, in order to highlight their sales outlets in our shopping centres. With their involvement, there has been a rapid acceleration in the number of hits and the quality of the content shared during this quarter.

These customers, who are local "Instagrammers", now form an integral part of the drive-to-store communication mechanisms introduced for retailers. The content they produce provides considerable support for our local BtoBtoC marketing strategy.

***A quarter notable for significant progress in terms of CSR policy***

In order to conduct a virtuous environmental approach on its sites, Carmila is ramping up its environmental certification programme by entering into a partnership with BRE Group. The partnership's objective is to obtain BREEAM In Use certification for 75%<sup>1</sup> of the portfolio by the end of 2021.

During the first half of 2019, nine centres received a BREEAM In Use certification in France (Aix en Provence, Châteauroux, Montesson, Orléans-Place d'Arc, Perpignan-Claira, Salaise-sur-Sanne, Compiègne-Venette) and in Italy (Turin-Nichelino and Massa).

In addition, the Orléans-Cap Saran and Vannes extensions received BREEAM new construction certifications.

As of the end of March 2019, 45% of Carmila sites have an environmental certification, a 10-point increase compared with 31 December 2018.

In addition, Carmila is continuing to develop social and environmental protection initiatives and events on a local basis: 12% of site promotional activities were CSR activities during the first quarter of 2019, compared with 4% in the first quarter of 2018.

***On the basis of the quarter activity, Carmila confirms its objectives for 2019***

Carmila confirms its goal to achieve recurring earnings per share growth between +5% and +6.5% in 2019."

## FORM OF FINAL TERMS

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive 2016/97/EU on insurance distribution (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Final Terms dated [•]

Carmila

[Logo, if document is printed]

Legal Entity Identifier (LEI) of the Issuer: 222100P6D3QKU33LZQ72

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €1,500,000,000  
Euro Medium Term Note Programme

Series No.: [●]

Tranche No.: [●]

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Base Prospectus dated 17 July 2019 which received visa no. 19-364 from the *Autorité des marchés financiers* (“**AMF**”) in France on 17 July 2019 [and the supplement[s] to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes (the “**Base Prospectus**”). The expression “**Prospectus Directive**” means Directive 2003/71/EC, as amended or superseded, and includes any relevant implementing measure in the Relevant Member State. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.carmila.com/fr](http://www.carmila.com/fr)) and during normal business hours at the registered office of the Issuer and at the specified office of the Fiscal Agent where copies may be obtained. [In addition,<sup>1</sup> the Base Prospectus is available for viewing [at/on] [[www.carmila.com/fr](http://www.carmila.com/fr)]].

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

1. (i) Series Number: [ ]  
(ii) Tranche Number: [ ]  
(iii) Date on which the Notes become fungible: [Not Applicable/ The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the existing [*insert issue amount*] Notes due [*insert maturity date*] issued by the Issuer on [*insert issue date*]/the Issue Date]
2. Specified Currency: [ ]
3. Aggregate Nominal Amount of Notes admitted to trading: [ ]  
(i) Series: [ ]  
(ii) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5. Specified Denomination(s): [ ] (*one denomination only for Dematerialised Notes*)
6. (i) Issue Date: [ ]  
(ii) Interest Commencement Date: [ ]
7. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]

---

<sup>1</sup> If the Notes are admitted to trading on a regulated market other than Euronext Paris.



	[30E/360] or [Eurobond Basis]
	[30E/360 (FBF)]
	[30E/360 (ISDA)]
	[Actual/Actual-ICMA]
	[Not applicable]
(vi) Determination Dates (Condition 5(i)):	[ ] in each year ( <i>Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)</i> )[ <i>Not Applicable</i> ]
<b>13. Floating Rate Note Provisions (Condition 5 (b))</b>	[Applicable/Not Applicable] ( <i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i> )
(i) Interest Period[s]:	[ ]
(ii) Specified Interest Payment Dates:	[[ ] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below] / [not subject to any adjustment]
(iii) First Interest Period Date:	[ ]
(iv) Business Day Convention (Condition 5(b)):	[Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
(v) Business Centre[s] (Condition 5(i)):	[ ] ( <i>Note that this item relates to interest period end dates and not to the date and place of payments to which item 21 relates</i> )
(vi) Manner in which the Rate[s] of Interest is/are to be determined:	[ISDA Determination/FBF Determination/Screen Rate Determination/Linear Interpolation]
(vii) Interest Period Dates:	[Not Applicable/Specify dates]
(viii) Party responsible for calculating the Rate[s] of Interest and Interest Amount[s] (if not the Calculation Agent):	[ ]
(ix) ISDA Determination:	[Applicable/Not Applicable]  ( <i>if not applicable, delete the remaining sub-paragraphs of this paragraph</i> )
– Floating Rate Option:	[ ]
– Designated Maturity:	[ ]

- Reset Date: [ ]
- (x) FBF Determination: [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate: [ ]
- Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [ ]
- (xi) Screen Rate Determination: [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [EURIBOR/LIBOR/EUR CMS]
- Relevant Financial Centre: [ ]
- Interest Determination Date: [ ]
- Relevant Screen Page: [ ]
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)*
- (xii) Linear Interpolation [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- Applicable Maturity: [ ]
- (xiii) Margin[s]: [+/-][ ] per cent. *per annum*
- (xv) Minimum Rate of Interest: [[Zero /[•]] per cent. *per annum*]
- (xv) Maximum Rate of Interest: [[ ] per cent. *per annum* / Not applicable]
- (xvi) Day Count Fraction (Condition 5(i)): [Actual/Actual]  
[Actual/Actual – ISDA]  
[Actual/365 (FBF)]  
[Actual/365 (Fixed)]  
[Actual/Actual (FBF)]  
[Actual/360]  
[Actual/365 (Sterling)]

[30/360], [360/360] or [Bond Basis]

[30E/360] or [Eurobond Basis]

[30E/360 (FBF)]

[30E/360 (ISDA)]

[Actual/Actual-ICMA]

**14. Zero Coupon Note Provisions  
(Conditions 5(d) and 6(b))**

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) [Amortisation] Yield: [ ] per cent. *per annum*

(ii) Day Count Fraction in [Actual/Actual]

relation to Early Redemption: [Actual/Actual – ISDA]

[Actual/365 (FBF)]

[Actual/365 (Fixed)]

[Actual/Actual (FBF)]

[Actual/360]

[Actual/365 (Sterling)]

[30/360], [360/360] or [Bond Basis]

[30E/360] or [Eurobond Basis]

[30E/360 (FBF)]

[30E/360 (ISDA)]

[Actual/Actual-ICMA]

**PROVISIONS RELATING TO REDEMPTION**

**15. Call Option (Condition 6(d))**

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date[s]: [ ]

(ii) Optional Redemption Amount[s] of each Note: [[ ] per Specified Denomination]/[Condition 6(b) applies]

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [ ] per Specified Denomination

(b) Maximum Redemption Amount: [ ] per Specified Denomination

- (iv) Notice period: [As per Conditions] /[not less than [●] days nor more than [●] days]
16. **Residual Maturity Call Option (Condition 6(e))** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Residual Maturity Exercise Date: [ ]<sup>1</sup>
- (ii) Notice period: [As per Conditions] /[not less than [●] days nor more than [●] days]
17. **Squeeze-out Call Option (Condition 6(f))** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Minimum Percentage: [ ] per cent.
- (ii) Notice period: [As per Conditions] /[not less than [●] days nor more than [●] days]
18. **Optional Make-Whole Redemption by the Issuer (Condition 6(g))** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Margin: [ ] per cent.
- (ii) Reference Benchmark Security: [ ]
- (iii) Reference Dealers: [ ]/[As per Conditions]
19. **Put Option (Condition 6(h))** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date[s]: [ ]
- (ii) Optional Redemption Amount[s] of each Note: [[ ] per Specified Denomination]/[Condition 6(b) applies]
- (iii) Notice period: [As per Conditions] /[not less than [●] days nor more than [●] days]
20. **Change of Control Put Option (Condition 6(i))** [Applicable/Not Applicable]

---

<sup>1</sup> 3 months before the Maturity Date

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes: [Dematerialised Notes/Materialised Notes] (*Materialised Notes are only in bearer form*) [Delete as appropriate]
- (i) Form of Dematerialised Notes: [Applicable/Not Applicable] (If applicable, *specify whether bearer dematerialised form (au porteur) / registered dematerialised form (au nominatif administré) / fully registered dematerialised form (au nominatif pur)*)
- (ii) Registration Agent: [Not Applicable/If Applicable, give name and details] (*Note that a Registration Agent may be appointed in relation to Dematerialised Notes in fully registered form (au nominatif pur) only*)
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [•] (the “Exchange Date”), being 40 calendar days after the Issue Date subject to postponement as provided in the Temporary Global Certificate]
- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] (*Only applicable to Materialised Notes*)
22. Financial Centre[s] (Condition 7(h)): [Not Applicable/give details] (*Note that this item refers to the date and place of payment and not interest period end dates to which item 13(v) relates*)
23. Talons for future Coupons to be attached to Definitive Materialised Notes (and dates on which such Talons mature) (Condition 7(f)):
- [Yes/No/Not Applicable. *If yes, give details*] (*Only applicable to the Materialised Notes*)
- [The Materialised Notes provide that the relevant Coupons are to become void upon the due date for redemption of those Notes]
- [The Materialised Notes provide that upon the due date for redemption of any such Materialised Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.]
24. Details relating to Instalment Notes (Condition 6(a)):
- (i) Instalment Amount[s]: [ ]
- (ii) Instalment Date[s]: [ ]
- (iii) Minimum Instalment Amount: [ ]
- (iv) Maximum Instalment Amount: [ ]

25. Representation of holder of Condition 11 applies.

Notes/Masse

*[Insert below details of Representative and alternate Representative and remuneration, if any:*

Name and address of the Representative: [●]

Name and address of the alternate Representative: [●]

[The Representative will be entitled to a remuneration of [●] per year/The Representative will not be entitled to a remuneration]

*[If the Notes are held by a sole Noteholder, insert the wording below:*

As long as the Notes are held by a sole Noteholder, it shall exercise all rights and obligations assigned by law to the Representative and the general meeting of the Noteholders. A Representative will be appointed as soon as the Notes are held by several Noteholders.]

26. Possibility to request identification information of the Noteholders as provided by Condition 1(a)(i): [Not Applicable/Applicable]

#### **[PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the admission to trading on the [*specify relevant regulated market*] of the Notes described herein pursuant to the Euro [●],000,000,000 Euro Medium Term Note Programme of Carmila.]

#### **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....

Duly authorised

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading<sup>1</sup>: [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes issued to be listed and admitted to trading on [Euronext Paris] [other] with effect from [ ].]
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2 RATINGS

- Ratings<sup>2</sup>: [Not Applicable]  
[The Notes to be issued [are expected to be/have been] rated:  
[S & P: [ ]]  
[[Other]: [ ]]

Insert one (or more) of the following options, as applicable:

[[Insert credit rating agency/ies] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]<sup>3</sup>

[[Insert credit rating agency/ies] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”). As such [●] [is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[Insert credit rating agency/ies] [is/are] not established in the European Union and [has/have] not applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”).]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

---

<sup>1</sup> Where documenting a fungible issue need to indicate that original securities are already admitted to trading.

<sup>2</sup> This disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, this rating.

<sup>3</sup> It is important to liaise with the Issuer and/or the relevant credit rating agencies to determine (i) the specific legal entity which will issue the credit ratings and (ii) the status of any application which has been made to the relevant competent authority by that entity. It is recommended that these enquiries are made at an early stage to allow sufficient time for the information to be obtained.

3 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[Not Applicable]

*(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:<sup>1</sup>)*

“Save as discussed for any fees payable to the Managers and Dealers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.” *(Amend as appropriate if there are other interests)*

4 **[REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer:

[ ]

*(See [“Use of Proceeds”] wording in the Base Prospectus – if reasons for offer are different from the [“Use of Proceeds”] wording in Base Prospectus, will need to include those reasons here.)*

[(ii)] Estimated net proceeds

[ ]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii)] Estimated total expenses:

[ ] *[Include breakdown of expenses.]* [ ]

5 **[Fixed Rate Notes only – YIELD**

Indication of yield:

[●] per cent. *per annum*

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6 **[Floating Rate Notes only - HISTORIC INTEREST RATES**

Details of historic [EURIBOR/LIBOR/EUR CMS] rates can be obtained from [●].]

BENCHMARKS:

Amounts payable under the Notes will be calculated by reference to [EURIBOR/LIBOR/EUR CMS] which is provided by [European Money Market Institute (“EMMI”)]/ICE Benchmark Administration Limited (“IBA”). As at [date], [EMMI]/[IBA] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the “**Benchmarks Regulation**”). [As far as the Issuer is aware the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [EMMI]/[IBA] is not currently required to obtain authorisation or registration (or, if

---

<sup>1</sup> When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive.

located outside the European Union, recognition, endorsement or equivalence).]/[Not Applicable]

## 7 OPERATIONAL INFORMATION

- (i) ISIN: [ ] [until the Exchange Date, [ ] thereafter]
- (ii) Common Code: [ ] [until the Exchange Date, [ ] thereafter]
- (iii) Depositories:
- Euroclear France to act as Central Depository [Yes/No]
- Common Depository for Euroclear and Clearstream Luxembourg [Yes/No]
- (iv) Any clearing system[s] other than Euroclear and Clearstream, Luxembourg and the relevant identification number[s]: [Not Applicable/give name(s) and number(s) [ and address(es)]]
- (v) Delivery: Delivery [against/free of] payment
- (vi) Names and addresses of initial Paying Agent[s] [ ]
- (vii) Names and addresses of additional Paying Agent[s] (if any): [ ]
- (viii) The aggregate principal amount of Notes issued has been translated into Euro at the rate of [currency] [ ] per Euro 1.00, producing a sum of: [Not Applicable/Euro [ ]] (*Only applicable for Notes not denominated in Euro*)

## 8 DISTRIBUTION

- (i) Method of distribution [syndicated/non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/give names]
- (iii) Date of [Subscription] Agreement: [•]
- (iv) Stabilising Manager[s] (if any): [Not Applicable/give name]
- (v) If non-syndicated, name of Dealer: [Not Applicable/give name]
- (vi) Applicable TEFRA Category: [TEFRA C applies to the Materialised Notes/TEFRA D applies to the Materialised Notes/TEFRA not applicable to Dematerialised Notes]

## TAXATION

*The following is an overview of certain withholding tax considerations in France relating to the holding of the Notes. This overview is based on the laws in force in France as of the date of this Base Prospectus and is subject to any changes in law and/or interpretation thereof (potentially with a retroactive effect). This overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the French tax consequences of any investment in or ownership and disposition of the Notes.*

*The following may be relevant to holders of Notes who do not concurrently hold shares in the Issuer.*

Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”) other than those mentioned in 2° of 2 *bis* of the same Article 238-0 A. If such payments under the Notes are made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other revenues on such Notes are not deductible from the Issuer's taxable income (where otherwise deductible) if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account held with a financial institution established in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 75 per cent. if they are paid outside France in a Non-Cooperative State, other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts*, (ii) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) if they benefit legal persons who are not French tax residents or (iii) 12.8 per cent. if they benefit individuals who are not French tax residents (in each case subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent that the relevant interest and other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (and the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of the Deductibility Exclusion) will apply in respect of an issue of Notes if the Issuer can prove that the main purpose and effect of such issue of Notes were not that of allowing the payments of interest and other revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the *Bulletin Officiel de Finances Publiques-Impôts* (BOI-INT-DG-20-50-20140211, No. 550 and No. 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 will benefit from the Exception without the Issuer having to provide any proof of the 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 *Code monétaire et financier* or pursuant to an equivalent offer in a state or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payments systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depositories or operators are not located in a Non-Cooperative State.

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts* and subject to certain exceptions, interest and other similar revenues received by individuals who are fiscally domiciled in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also withheld at source at an aggregate rate of 17.2 per cent. on such interest and other similar revenues received by individuals who are fiscally domiciled in France, subject to certain exceptions.

**All prospective Noteholders should seek independent advice as to their tax positions.**

## SUBSCRIPTION AND SALE

### OVERVIEW OF DEALER AGREEMENT

Subject to the terms and on the conditions contained in a dealer agreement dated 17 July 2019 (the “**Dealer Agreement**”) between the Issuer and BNP Paribas as Arranger and Permanent Dealer, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

## SELLING RESTRICTIONS

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

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

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

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Materialised Notes, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the completion of the distribution of any identifiable Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

In addition, until calendar 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

### **Prohibition of Sales to EEA Retail Investors for the purposes of the Prospectus Directive and PRIIPs regulation**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area.

For the purposes of this provision:

- 1) the expression “**retail investor**” means a person who is one (or more) of the following:
  - a. a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - b. a customer within the meaning of Directive 2016/97/EU of the European Parliament and of the Council on insurance distribution of 20 January 2016, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

- 2) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

### **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes having a maturity of less than one year, (a) 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 (b) 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 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 Financial Services and Markets Act 2000, as amended (the “**FSMA**”) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied with 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.

### **France**

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier* and, as from 21 July 2019, in accordance with regulation (EU) 2017/1129 as amended and any applicable French law and regulation.

### **Republic of Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation. Each Dealer has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time);
- (ii) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016); and

- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

### **General**

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefor.

## GENERAL INFORMATION

- 1 The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with establishment of the Programme.
- 2 For this purpose, on 26 June 2019 the Board of Directors (*Conseil d'administration*) of the Issuer authorised the Programme for a maximum aggregate amount of Notes outstanding at any one time of €1,500,000,000. On 13 February 2019, the Board of Directors (*Conseil d'administration*) authorised, for a duration of one year from 13 February 2019, the issue of Notes up to an aggregate nominal amount of €1,500,000,000.
- 3 As at the date of this Base Prospectus, to the extent known by the Issuer, no conflict of interest is identified between the duties of the members of the Board of Directors (*Conseil d'administration*) and the Chief Executive Officer with respect of the Issuer and their private interest and other duties.
- 4 Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer or of the Group since 31 December 2018, and no material adverse change in the prospects of the Issuer since 31 December 2018.
- 5 Except as disclosed in this Base Prospectus, neither the Issuer nor any of its Material Subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the last 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.
- 6 There are no material contracts that are not entered into the ordinary course of the Issuer's business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.
- 7 Application may be made for the Notes to be accepted for clearance through Euroclear France and/or Euroclear and Clearstream, Luxembourg. The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear France is 66, rue de la Victoire 75009 Paris, France, the address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg, Grand-Duchy of Luxembourg.

Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) are also inscribed either with the Issuer or with the registration agent.

If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the relevant Final Terms.

- 8 Deloitte & Associés and KPMG S.A. have audited the Issuer's accounts for the years ended 31 December 2017 and 31 December 2018, without qualification, prepared in accordance with generally accepted accounting principles in France. Deloitte & Associés and KPMG S.A. are members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* and carry out their duties in accordance with the principles of the *Compagnie Nationale des Commissaires aux Comptes* (the "CNCC").
- 9 For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection, and, in the case of documents listed at (iii), (iv), (v) and (vi) below, for collection at the office of the Fiscal Agent and the Paying Agent, except that the documents listed at (iv) and (v) below will only be available for inspection and collection by existing Noteholders:
  - (i) the Agency Agreement;
  - (ii) the constitutive documents of the Issuer;
  - (iii) the 2017 Registration Document and 2018 Registration Document (including the audited non-consolidated and consolidated annual accounts of the Issuer for the two financial years ended 31 December 2017 and 31 December 2018, respectively);
  - (iv) the Final Terms for Notes that are listed and admitted to trading on the Regulated Market of Euronext Paris and/or any other stock exchange;

- (v) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
  - (vi) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.
- 10 This Base Prospectus and all documents incorporated by reference herein will be made available on the website of the Issuer ([www.carmila.com](http://www.carmila.com)) and the AMF ([www.amf-france.org](http://www.amf-france.org)).
- 11 The yield is calculated at the Issue Date on the basis of the Issue Price and the rate of interest applicable to the Notes. It is not an indication of future yield. The yield of the relevant Notes, if applicable, will be stated in the Final Terms of the Notes.
- 12 In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “**Stabilising Manager(s)**”) (or any person acting for the Stabilising Manager(s)) in the relevant Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the relevant Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.
- 13 Amounts payable under the Floating Rate Notes may be calculated by reference to Reference Rates including EURIBOR, LIBOR or EUR CMS which are respectively provided by the EMMI with respect to EURIBOR and ICE with respect to LIBOR and CMS Rate. Each of ICE and the EMMI have been authorised as regulated benchmark administrators pursuant to Article 34 of the Benchmark Regulation and appears on the public register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.
- The relevant Final Terms in respect of an issue of Floating Rate Notes may specify the relevant benchmark, the relevant administrator and whether such administrator appears on the ESMA register referred to above.
- The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update this Base Prospectus or the relevant Final Terms to reflect any change in the registration status of the administrator.
- 14 In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “**€**”, “**Euro**” or “**euro**” are to the single currency of the participating member states of the European Union which was introduced on 1 January 1999, references to “**£**”, “**pounds sterling**” and “**Sterling**” are to the lawful currency of the United Kingdom references to “**¥**”, “**Yen**”, “**yen**” and “**Japanese Yen**” are to the lawful currency of Japan, references to the “**U.S.**” and the “**United States**” are to the United States of America and references to “**U.S.\$**” and “**U.S. Dollars**” are to the lawful currency of the United States of America.
- 15 The Legal Entity Identifier (LEI) of the Issuer is: 222100P6D3QKU33LZQ72.

## PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

To the best knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.

### **Carmila**

58, avenue Emile Zola  
92100 Boulogne-Billancourt  
France

Duly represented by:

Patrick Armand, *Directeur Financier*

Dated 17 July 2019



### ***Autorité des marchés financiers***

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (AMF), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa no. 19-364 on 17 July 2019. This Base Prospectus has been prepared by the Issuer and its signatories assume responsibility for it.

In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply approval by the AMF of the appropriateness of the issue of Notes under the Programme nor that the AMF has verified the accounting and financial data set out in it.

In accordance with Article 212-32 of the General Regulations (*Règlement Général*) of the AMF, every issue or admission of Notes under this Base Prospectus will require the publication of final terms.

**Registered Office of the Issuer**

**Carmila**  
58, avenue Emile Zola  
92100 Boulogne-Billancourt  
France

**Arranger and Dealer**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Fiscal Agent, Principal Paying Agent and  
Calculation Agent**

**SOCIETE GENERALE SECURITIES SERVICES**

32, rue du Champ de Tir – CS30812  
44308 Nantes Cedex 3  
France

**Statutory Auditors**

**Deloitte & Associés**  
6, place de la Pyramide  
92908 – Paris La Défense Cedex  
France

**KPMG S.A.**  
Tour EQHO  
2, avenue Gambetta  
92066 Paris La Défense Cedex  
France

**Legal Advisers**

**To the Issuer**  
*in respect of French law*  
**Clifford Chance Europe LLP**  
1 rue d'Astorg  
CS 60058  
75377 Paris Cedex 08  
France

**To the Dealers**  
*in respect of French law*  
**Allen & Overy LLP**  
52, avenue Hoche  
75008 Paris  
France